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SOVIET UNITS START 2-PRONGED ASSAULT TO SEIZE E. PRUSSIA

Red Army Strikes From Lithuania and Polish Border—Drives Reported Repulsed

Domei

BERLIN, October 6.—Two Soviet armies have launched a twin drive to encircle East Prussia—one striking west from Lithuania and the other north from the Polish border area.

From the Lithuanian area, reconnaissance operations which were much in evidence during the past few days were, yesterday morning, followed by a major attack preceded by heavy artillery fire and battle-plane attacks. About four tank corps and 12 to 14 infantry divisions attacked German positions southwest and northwest of Siaulial.

During the initial stages, the German frontline was comparatively weak and the Red Army succeeded in wedging the lines, but toward evening German tank and motorized reserve units were thrown into battle and stopped the Soviet attack. Fighting continued all night and this morning.

At the same time the expected major attack started along the Narew front against the southern border of East Prussia. First attempts for a break-through encountered considerable German opposition. They were repeated on both sides of Rozan with the same result. All attacks were repulsed and local breaches sealed off.

Soviets Driven Back

North of Serok, on the western bank, German attacks drove the Soviets back. On the lower reaches of the Narev, German formations destroyed 78 Soviet tanks yesterday. Fighting in this sector is expected to continue for the next few days with the same ferocity.

Meanwhile, heavy fighting continued on Oesel island where the Soviets landed troops two days ago. Latest reports said the German garrison stationed on the island were inflicting mounting casualties upon the invaders. Luftwaffe units too attacked Soviet ferry traffic to Oesel and the other islands of Moon and Dagoe.

In the southern sector the center of the fighting was again in the Belgrade sector where Soviet pressure was intensified yesterday. Heavy tank battles raged at the Iron Gate as well as southeast and northeast of Belgrade, especially southeast and east of Pancsova.

German troops repulsed Soviet attacks at several points and inflicted heavy casualties as well as at Negotin where German counter-attacks were successful.

The situation on the Hungarian border was scarcely changed during the past 24 hours and the inclement weather in the forests of the Carpathians considerably slackened the fighting there.

The heated battles along the southern Hungarian border at Arad, Mako, Grosswardein, Klausenburg, Thorenburg and in the Sekler corner brought no changes.

Claims Capture of Mako

Domei

STOCKHOLM, October 6.—Soviet forces which crossed the Hungarian border north and northwest of the Rumanian town of Arad captured the junction of Mako 15 miles east of Szeged and other populated places, the Soviet broadcast said today.

British Claim Rhion

Domei

LISBON, October 6.—British forces plunging eastward along the northern coast of Pelopennesus from Patras captured the fortified port of Rhion today, while new landings were reported on the Grecian Samos island off the western coast of Turkey, according to frontline reports.

It was learned that the British landings took place after the Germans had evacuated from Pelopennesus peninsula during their operations to shorten the frontline. British air-borne troops were landed subsequently at Tripolis in central Pelopennesus but there were no signs of the Germans.

German resistance is extremely bitter, however, on Corfu and southern Albania.

Willkie Seriously Ill

Special to the Nippon Times

LISBON, October 6.—Wendell Willkie, Republican presidential candidate in 1940, is seriously ill in a hospital in New York, according to a New York report.

4 Raiders Smashed By 'Hayabusa' Units In N. Chishima Fight

By T. SATO and T. KIKUCHI
Of the Military Press Corps

NORTHEASTERN FRONT.—A total of 12 B-24's and B-34's of the U.S. northern air force came attacking Northern Chishima twice on the forenoon of October 5. Intercepting the enemy raiders, the Japanese "Hayabusa" fighters shot down two B-24's (one unconfirmed) and damaged two others, repulsing the rest of the enemy planes. During this battle, one small Japanese fishing-boat was slightly damaged.

UNABATED FURY MARKS WEST FRONT FIGHTING

Every Inch of Ground Contested In Aachen Area—Big Enemy Drive Not Begun Yet

Domei

BERLIN, October 6.—Grim fighting for every inch of ground marked the battles in the areas around Aachen and to the north but fighting on the Western Front during the past 24 hours did not increase in extent although fighting continued with undiminished violence in the gravity centers.

Neither the British nor the Americans still have launched their expected large-scale offensive and the changes in the frontline were extremely slight.

In the area north of Aachen, the American 1st Army brought up further fresh forces and massed them against the German fortifications, but without scoring any success. Indications are, however, that fighting in this area will increase in violence still more within the next few days.

While only local shock-troop skirmishes took place between Aachen and Echternach, the second focal point of the Western Front remained in the Metz area where battles raged with almost unprecedented ferocity to the north and south of the city and in the forest of Parroy.

Meanwhile, the American 7th Army suffered heavy losses in their continuous attacks against the western spurs of the Vosges which on the whole were abortive. Slight gains were made only at two points namely on the Mortagne River and in the mountains east of Ognon.

In the Dutch-Belgium frontier region, Canadian attempts for a break-through along the roads to Breda and Tilburg were repulsed. They made some gains at the cost of 30 tanks and self-propelled guns.

Even greater losses were suffered by the British 2nd Army which is still stubbornly fighting north, northwest and southeast of Nijmegen. German and British thrusts alternated in this area in rapid succession and northwest and south of Arnheim the Germans gained ground while the British succeeded in making some local gains on the banks of the Waal.

The British bridgehead north of Nijmegen, Waal and Lew were considerably reduced by German attacks which are continuing.

U.S. Army Withdraws

Domei

LISBON, October 6.—The Germans north of Aachen have thrown the strongest counter-attack yet against the American 1st Army positions in the Ubach breach and American units, which entered the town of Beggendorf yesterday, have been forced to withdraw under terrific German pressure, according to Associated Press frontline reports.

The battle in this sector is described as being as violent as any in the entire invasion and "as tough as Anzio" is the description given by one American officer.

The Germans are throwing in more and more reserves and at the same time pouring shells into captured Ubach just west of the point at which the heaviest battles are raging.

In the Netherlands, the Germans are also counter-attacking in some strength with repeated assaults.

Carol Leaving for Rumania

Domei

LISBON, October 6.—After four years of exile, ex-King Carol of Rumania paid his farewell visit to President General Manuel Avila Camacho of Mexico in Mexico City before he leaves for Rumania, according to a Buenos Aires dispatch. Accompanied by Madame Magda Lupescu and his court marshal Urdareanu, King Carol II will depart next week for New Orleans, Louisiana, on board the Argentine steamer Rio Tunayans. By the beginning of November, they expect to be in Rio de Janeiro.

OGATA EXPLAINS POLICY TO GUIDE PUBLIC OPINION

To Stimulate Spontaneous Movements to Heighten Fighting Spirit

The policy for guiding public opinion in line with the war situation now facing a decisive stage was decided at the Cabinet Council held on Friday for further stimulating the fighting spirit of the people for attainment of final victory under the perfect unity of the military, government and general public.

President Taketora Ogata of the Board of Information issued a statement in respect to the Government policy for guiding public opinion, and particularly pointed out the following as its four most important items:

1. To arouse and foster the public faith in the fundamental political principle of Japan and to make the people fully understand the meaning of the Imperial Rescript which declared war so that the public will thoroughly realize the significance of the present decisive war situation.

2. In reports and propaganda, facts are to be made frankly known, and in controlling news, care is to be given so that the main points should not be sacrificed for minor details.

3. Fair opinions arising from the people are to be respected, and national movements spontaneously rising from the people for pure moral objects will not be interfered with.

4. To plan to make the public frame of mind brighter.

Explains Policy

President Ogata's statement follows:

"The Government has decided on the Policy for Guiding 'Decisive Battle' Public Opinion. Regarding the guidance of public opinion under the wartime condition, the Government has been following a fixed policy ever since the beginning of the war. The policy the Government has just adopted does not differ from the former policy in fundamentals but its method will be revised as it is now the time for the entire people of the Empire to renew their determination in facing the coming decisive battle.

"The policy is for the guidance of the Government itself. To explain its important items, firstly, it is to arouse and foster the public faith in the fundamental political principle to make the people fully appreciate the meaning of the Imperial Rescript declaring war, and to make them thoroughly realize the decisive war situation. To conquer the present urgent war situation and to lead the war to our victory, it is important that every one of the 100,000,000 people shall exert himself in his field of activity with his entire ability. That is to say, each must work fully at his job, with the renewed realization that it is now the time to serve the Empire and with the spirit that there is none but he to do the work. I believe that the 100,000,000 people of our country have absolute faith in the national polity, that has been handed down by our ancestors for these 3,000 years. To arouse and heighten this faith that lies deep in the mind of the people is the fundamental point in fostering the fighting spirit of the nation. When the meaning of the Imperial Rescript is fully appreciated and the origin and aim of the present war are clarified, and when the people fully realize that the present stage of the war is the most important period to decide the future of the Empire, I believe that the deep patriotic thought in the their hearts will reveal itself.

Frank Reporting Planned

"Secondly in news and propaganda activities, it will be made with the intention of frankly reporting facts. So that the 100,000,000 people will manifest their total strength, it is clear that they must fully recognize the situation the Empire now faces. It is only of the people when there is such recognition that the fighting spirit will rise and the courage to conquer the present difficulty, even though the Government does not say anything. Thus the principle of reporting facts has been made one of the most important points regarding publicity on the war situation. Of course, regarding strategic and diplomatic matters, such that have to be kept in secrecy cannot be made public. But in news control, full attention will be directed so that it would not become a mere formality and great points sacrificed for minor items.

"Thirdly, fair opinions arising from the people will be respected, and it has been decided that national movements spontaneously rising with pure moralistic objects will be left unmolested. When there arises among the people a desire to advance bravely to the execution of the war, that becomes a lively public opinion or a national movement. With the development of such public opinion and movement, the fighting spirit of the people will be further heightened. Therefore, the Government has decided to let such public opinion appear freely and actively, and to let such national movements make their free progress. It is one way for the Government to urge the people to start a movement, but it is more desirable to have fair public opinion rise from the real patriotic sentiments of the people and spontaneous national movements. In such circumstances the people will listen to such opinions with eagerness and participate eagerly in such movement. Of course, it is needless to say that such expressions of opinion and movements that have the danger of disturbing the faith in the national polity, inviting internal dissension, obstacling the maintenance of military and diplomatic secrets or preventing the war execution must be most strictly controlled.

"Fourthly, it is to brighten up the people's frame of mind. With the more intensified spirit in which the entire people work day and night for the increase of fighting strength and the more difficult the situation will be in the various phases of the people's livelihood, the more effort will have to be made to brighten the people's mind. Therefore, the Government will give due consideration to such amusements as cinema, drama and other forms of entertainment that will serve in increasing the future fighting strength. Furthermore it is also hoped that the people's burden will not be increased unnecessarily.

"In short, the new policy for guiding public opinion is based upon the fundamental idea of trusting the people's patriotism, and with the spirit of sharing together both joy and worry. It is, therefore, desired that the people will also realize the Government's intention and further tighten their determination to execute the war to victory, the military, government and general public becoming one united body."

IMPERIAL RESCRIPT OBSERVANCE DAY

Imperial Rescript

We, by grace of heaven, Emperor of Japan, seated on the Throne of a line unbroken for ages eternal, enjoin upon ye, Our loyal and brave subjects:

We hereby declare war on the United States of America and the British Empire. The men and officers of Our Army and Navy shall do their utmost in prosecuting the war, Our public servants of various departments shall perform faithfully and diligently their appointed tasks, and all other subjects of Ours shall pursue their respective duties; the entire nation with a united will shall mobilize their total strength so that nothing will miscarry in the attainment of Our war aims.

To insure the stability of East Asia and to contribute to world peace is the far-sighted policy which was formulated by Our Great Illustrious Imperial Grandsire and Our Great Imperial Sire succeeding Him, and which We lay constantly to heart. To cultivate friendship among nations and to enjoy prosperity in common with all nations has always been the guiding principle of Our Empire's foreign policy. It has been truly unavoidable and far from Our wishes that Our Empire has now been brought to cross swords with America and Britain. More than four years have passed since China, failing to comprehend the true intentions of Our Empire, and recklessly courting trouble, disturbed the peace of East Asia and compelled Our Empire to take up arms. Although there has been re-established the National Government of China, with which Japan has effected neighborly intercourse and cooperation, the regime which has survived at Chungking, relying upon American and British protection, still continues its fratricidal opposition. Eager for the realization of their inordinate ambition to dominate the Orient, both America and Britain, giving support to the Chungking regime, have aggravated the disturbances in East Asia. Moreover, these two Powers, inducing other countries to follow suit, increased military preparations on all sides of Our Empire to challenge us. They have obstructed by every means our peaceful commerce, and finally resorted to a direct severance of economic relations, menacing gravely the existence of Our Empire. Patiently have We waited and long have We endured, in the hope that Our Government might retrieve the situation in peace. But our adversaries, showing not the least spirit of conciliation, have unduly delayed a settlement; and in the meantime, they have intensified the economic and political pressure to compel thereby Our Empire to submission. This trend of affairs would, if left unchecked, not only nullify Our Empire's efforts of many years for the sake of the stabilization of East Asia, but also endanger the very existence of Our nation. The situation being such as it is, Our Empire for its existence and self-defense has no other recourse but to appeal to arms and to crush every obstacle in its path.

The hallowed spirits of Our Imperial Ancestors guarding Us from above, We rely upon the loyalty and courage of Our subjects in Our confident expectation that the task bequeathed by Our forefathers will be carried forward, and that the sources of evil will be speedily eradicated and an enduring peace immutably established in East Asia, preserving thereby the glory of Our Empire.

(Imperial Sign Manual)
(Imperial Seal)

The 8th day of the 12th month
of the 16th year of Showa.

Chungking Jittery Over Recent Defeats; Demands Formation of 2nd Front in China

Special to the Nippon Times

CANTON, October 7.—Admitting the fact that Chungking is jittery over the recent defeats it has suffered at the hands of the Japanese, the Ta Kung Pao, a Chungking journal, today, editorially appealed to the United States and Britain to open a second front on the China Continent, according to a Chungking dispatch. The paper said:

"The opening of a second front in China is not a question of aid to the Chungking regime but is a matter of American war strategy. In our opinion, Chungking is entitled to demand the United States and Britain to send their forces for a landing on the China coast, either at Canton, Fukien, Chekiang or north of Shanghai.

"The reason is simple—there should be two fronts in China and Chungking needs the United States and Britain to fill the responsibility of the fighting against the Japanese Army.

"While making this demand we are not opposed to the Americans invading the Philippines, the Bonins and the Kuriles; nor are we against the British launching a counter-offensive on Rangoon, Sumatra and the Malay Peninsula. We will welcome particularly any direct attack on Japan Proper to relieve enemy pressure on the Chungking forces.

"However, we hope that a powerful operation will be launched by the Allies against the Japanese Army. Such an offensive is what Chungking needs most and would be most effectively carried out in the China theater of war.

"Admiral Chester Nimitz, Commander-in-Chief of the United States Pacific Fleet, wishes to fight across the Pacific and land on the China coast. Present circumstances are favorable for the realization of this strategy. The opening of a second front in the Asiatic mainland will be as strategically important as the opening of the Second Front in Europe."

The Ta Kung Pao also reported that Donald Nelson, Chairman of the U.S. War Production Board, who returned to America from Chungking last month, may again visit China this month. The Chungking Government officials concerned with war production are preparing to have more extensive discussions with Nelson when he arrives in Chungking again, the paper added.

CHUNGKING COMMUNIQUE ADMITS NIPPON ADVANCE

Says Japanese Reach Point 40 Kilometers From Kweilin After Capturing Hingan

Domei

CANTON, October 6.—The Chungking Military Affairs Committee in its war communique issued yesterday, confirmed the fact that the Japanese Forces had continued their drive after the capture of Hingan and have reached Tajungkiang, 40 kilometers distant from Kweilin, according to advices from Chungking.

The communique is reported as follows:

"Following the occupation of Hingan, the Japanese continued their southward drive and have reached the neighborhood of Tajungkiang, 20 kilometers southwest of of Hingan, where severe fighting is now in progress.

"Japanese Forces advancing from Lienkong to Foochow have converged on Itungman, east of Foochow. Bitter struggles have been in progress for the last several days and Chungking forces have suffered very great losses.

"In the western part of Yunnan Province, the Japanese launched three attacks on Chungking positions at Siangta on the night of October 2."

Laochating Is Occupied

By M. NAKAO
Of the Military Press Corps

KWANGSI FRONT, October 6.—Close on the heels of the reduction of Hingan, the Japanese Forces, on October 3, occupied Laochating, about 50 kilometers northeast of Kweilin, and are now engaged in mopping-up operations.

Japanese Take Hingan

By a Member of the Military Press Corps

HUNAN FRONT, October 6.—After launching severe attacks on the walled town of Hingan, 60 kilometers northeast of Kweilin and the most vital stronghold for the defense of that city, the Japanese Forces completely occupied the citadel on October 1, crushing the enemy eighth division that had defended the city.

COMMONS DEBATES ON BILL

No Decision Reached on Town and Country Planning Measure

Special to the Nippon Times

STOCKHOLM, October 6.—Prime Minister Winston Churchill intervening in the House of Commons today during the committee debates on the Town and Country Planning Bill suggested that the clause dealing with the controversy issue of compensation be dropped, according to a B.B.C. broadcast.

Churchill said that this would set the local authorities free to get on without delay with their planning of the devastated areas.

The Prime Minister pointed out that the bill could not become a law for a good number of months and therefore in the meantime he declared that the Government would place before the House a separate bill to deal with compensation by itself.

A good deal of discussions took place regarding Churchill's statement and an Independent member stated that it was not true that Churchill had asked for the suspension of the clause of compensation so as to protect the powerful interests. When questioned on this point, Churchill said "No. It is not true."

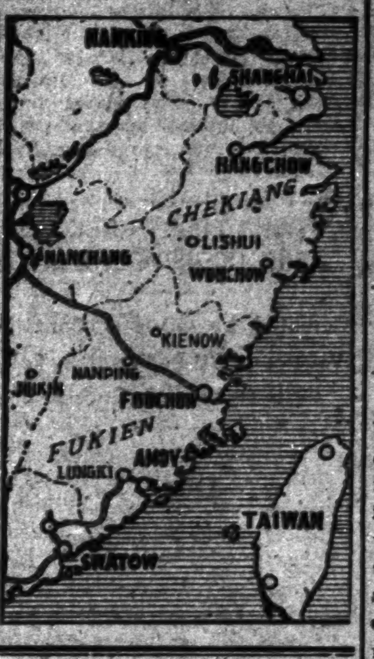
A local member alleged that the House was being asked to reject the clause because the price to be paid to the public for the acquired land was not high enough.

Leslie Hore-Belisha, Independent, believed that the clause was being withdrawn so that a juster clauses might be introduced. Afterwards, Foreign Secretary Anthony Eden, leader of the House, appealed for a decision and the clause was struck out of the bill, and the debate was then adjourned to a special session scheduled for Monday.

Marshall, Byrnes in France

Special to the Nippon Times

LISBON, October 6.—General George C. Marshall, Chief of Staff of the United States Army, and Judge James Byrnes, Director of the Office of War Mobilization, accompanied by several army officials from Washington arrived in Paris yesterday by air flying directly from the United States, according to a Paris report. The two leaders were greeted at the Paris airfield by General Dwight Eisenhower, General Omar Bradley and other American officers. Marshall and Byrnes are expected to tour the invasion fronts.



ENEMY TRANSPORT SINKS SOUTH OF PELILIU ISLAND

Goes Down Instantaneously After Explosion Aboard—Planes Appear Over Palau

Special to the Nippon Times

CENTRAL PACIFIC BASE, October 7.—An enemy transport was sunk instantaneously when an explosion occurred aboard that ship while it was cruising in the waters south of Peliliu island on the afternoon of October 5.

Enemy Planes Attack Palau

A formation of 70-odd small enemy planes attacked the main island of the Palau Group yesterday. On October 5, another group of enemy aircraft attacked Koro Island.

Japanese Units downed four enemy planes in counter-attacking 10-odd B-24 bombers that attacked Truk Island on Thursday morning.

3 Downed Over Rabaul

Special to the Nippon Times

RABAUL, October 7.—Counter-attacking a formation of 230 enemy aircraft that launched an attack here on Thursday, the Japanese Units shot down three planes. Yesterday, another group of 80 enemy planes came attacking.

Enemy Air Activities Continue

Special to the Nippon Times

SOUTHWEST PACIFIC BASE, October 7.—The enemy air forces are continuing their persistent aerial activities in the Southwest Pacific area.

On Thursday, 30 B-24 bombers attacked the southern part of Celebes. On the afternoon of the following day, another raid was carried out by 20-odd B-24's.

A formation of about 40 large and medium-sized enemy planes attacked Ambon on Amboina Island on Thursday.

About 25 P-38 enemy fighter planes carried out a daylight raid at Sorong in New Guinea Island on the same day.

Two medium-sized enemy planes attacked Balik Papan on Thursday night. Meanwhile, about 10 P-38's made a futile raid on Davao on Mindanao Island yesterday.

In an engagement with 25 large and medium-sized planes that attacked the northern part of Celebes yesterday afternoon, the Japanese Units downed two B-25 bombers.

U.S. Plans Trade Talk

Domei

LISBON, October 6.—Inviting representatives of businessmen from various anti-Axis and neutral nations, the United States Chamber of Commerce is to hold an international commercial conference on November 1, according to a Buenos Aires dispatch received here.

An invitation to this conference was also sent to Argentine financial circles, but information emanating from Buenos Aires financial circles says that both the president of the Argentine Chamber of Commerce and Industry, and the president of the Industrial Association have decided to flatly refuse the American invitation.

V-1 Attacks Resumed

Domei

LISBON, October 6.—German V-1 bombs again attacked London and other parts of England on the night of October 5, according to a London dispatch. The V-1 barrage and the counter-fire of the British coastal anti-air guns are said to have been the fiercest witnessed in the period of several months. The British authorities announced that buildings were destroyed and casualties caused by the V-1 attack.

FOOCHOW OCCUPIED BY JAPANESE UNITS IN POWERFUL DRIVE

Imperial Headquarters Reveals Capture of Last Enemy Stronghold on October 4

Imperial Japanese Units that had been advancing toward Foochow completely reduced that city on the morning of October 4 after smashing the Chungking 80th Division which had put up stubborn resistance at the positions constructed around the city, the Imperial Headquarters announced in its communique issued at 3 p.m. on Saturday.

The communique follows:

IMPERIAL HEADQUARTERS' COMMUNIQUE
3 p.m., October 7

"Our Units that had been advancing toward Foochow completely reduced that city on the morning of October 4 after crushing the enemy's 80th Division which had offered stubborn resistance at its positions around the city."

Captured Within 7 Days

Right on the heels of the surprise landing on the beach, 40 kilometers northeast of Foochow, that was made at dawn on September 27 by the Army and Navy Forces acting in close cooperation, the Japanese struck out southward along the Tai River heading for Foochow, the strategic point on the coast of the Eastern China Sea, and completely reduced that city on the morning of October 4, only seven days after the landing was effected.

Despite the bad condition of the roads in the area along the Tai River, the Japanese Units moved southward and on the morning of October 3 they commenced a general attack against the main body of the Chungking 80th Division which had been offering frantic resistance under the command of General Li Liang-yung at the positions which they had constructed around Foochow.

After launching a vigorous night attack, the Japanese pierced the enemy position in the Panling area, eight kilometers north-northeast of Foochow on the afternoon of October 3. Other Japanese Units also broke into the enemy's defenses in the Chunglunshan sector northeast of Panling on the following morning, thus opening the way for the Japanese Forces' drive into the Foochow Plain. At 8 a.m. on October 4 the Japanese had completely occupied the city of Foochow.

In the meantime, other Japanese Units occupied Wuhu and Wuko islands located in the lower reaches of the Min River and are now engaged in intensive mopping-up operations in these islands.

About three divisions belonging to the Chungking 70th Army, under the command of General Chen Kung-ta had defended the walled town of Foochow.

Now that the pivotal point on the east China coast has fallen into the hands of the Japanese, the consternation and bewilderment of the Chungking and American forces are beyond description particularly as the Americans had planned to secure Foochow as a submarine base. Now, this plan has been blasted by the Japanese occupation of Foochow.

Foochow, with a population of 350,000, was the seat of the provincial government of Fukien Province prior to the outbreak of the China Affair. It is the most important city in that province and enjoys a prosperous trade and brisk commercial activities. Foochow has an airfield which is located east of that city which can be used by small-sized aircraft.

India Denies Soviet Rumor

Domei

STOCKHOLM, October 6.—Rumors have recently been afloat that the Soviet Union is preparing to exchange diplomatic representatives with India. However, the India Office denies the rumors today by declaring that it has not heard anything about it.

Chilean Cabinet Resigns

Domei

LISBON, October 6.—The Chilean Cabinet resigned en bloc yesterday after having stayed in office for one year and a new Cabinet will be formed by tomorrow, according to a Santiago dispatch.

CHIANG OPPOSES SCHEME OF YANK ARMY LEADERS

Says Americans Must Use Their Own Troops to Defend U.S. Air Bases in China

Special to the Nippon Times

STOCKHOLM, October 6.—Revealing the lack of cooperation between the American military leaders and Chiang Kai-shek, the Aftontidningen's Washington correspondent reported recently that Chiang, who is opposed to the idea of using Chungking troops for the defense of the U.S. air bases in China, had declared that the Americans should employ their own soldiers for this task. The report follows:

The Chungking regime is now being forced to participate more actively in the war as the China-based American air forces are being driven away before the Japanese onslaughts.

There exist different opinions between the American military leaders and Chiang Kai-shek. The Americans want to train the Chungking troops for the defense of the vital air bases, but Chiang says the Americans should use their own troops. Meanwhile, Chiang's best troops have been placed against the Chinese Communists in the north. American military leaders think that it is not necessary to send U.S. troops to China when there are so many Chinese who can be used as cannon fodder.

The situation was further aggravated when Chiang opposed the proposal of Lieutenant-General Joseph Stilwell, Commander-in-Chief of the U.S. Forces in East Asia, to build up a big Chinese army which would take part in the fights in Burma. Chiang only allowed Stilwell to train a few divisions. It seems that Chiang is afraid of a big Chinese army under American control.

Many efforts have been made to overcome these difficulties. The Americans have urged Chiang to reorganize the Chungking army, to lift the strong censorship in Chungking and to try to reach a settlement with the Soviets as well as to negotiate with the Communists in Yenan.

As a result of this, foreign correspondents have been allowed to visit North China and Yenan, negotiations with the Soviets have been started and it is said that Chiang has agreed to the American proposal of economic reorganization in order to control inflation in the Chungking-controlled areas in China.

Meanwhile, on Chungking's part, Chiang has presented the United States with a bill for the establishment of the U.S. air bases in China, which ironically enough, have now been lost, and he is also said to have demanded that the official exchange rate of 20 Chinese dollars for one American dollar should be applied.

Chennault's Scheme

Major-General Claire Chennault, Commander of the United States 14th Air Force in China, seems to be resolved to hold Southwestern China, and is scheming positive counter-attacks on various points, says a Canton report to the Yomiuri, dated October 5.

That is to say, Major-General Chennault strongly demanded Chiang Kai-shek to defend and hold Kweilin by land forces. At the same time, he detailed the main units of the 14th Air Force along the line connecting Nanking, Poseh and Kunming, while placing mobile corps at various points along the Nanning-Kweiyang line, for opening a systematic guerilla operation.

The fundamental reason why Chennault gave up his former negative policy and suddenly turned to such a positive attitude is said to be the prospect for the dispatch of air-borne troops from the Burma district, according to available information. The vanguards of the air-borne troops have already arrived at Kunming, and the India-Burma route is transporting machinery for air-borne forces. Then the air-borne troops which were being trained at Kunming have been suddenly made into a wartime formation.

In this manner, Chennault came to have a bold ambition of disturbing the rear of our forces in Eastern China and of enabling the success of the Nimitz plan by cooperating with the Philippine campaign, under the joint operation of the United States air forces in China, and the air-borne troops. This new counter-offensive plan is to be fully noted.

But our operation in Kwangsi has progressed deep into the enemy area, and with our Air Forces in China, which has recently greatly strengthened, no time will be given to the enemy for opening the proposed counter-offensive, and there is no doubt that the decisive battle will soon be fought. Then at all important points in the areas behind the strategic zone, and also at important places along the southern China coasts, various preparations are fully made in anticipation of the enemy's strategic plans. Our confidence in defeating the enemy by mobilizing all modern arms will surely make Chennault face the necessity of drafting his second and third counter-offensive plans.

Victory For Anti-Axis In Europe This Year Remote, Admits Davis

Special to the Nippon Times

LISBON, October 6.—Elmer Davis, Director of the U.S. Office of War Information, in a statement at Washington today declared that the chances of victory for the anti-Axis in Europe this year remains remote because of the defeats of the anti-Axis airborne troops in the Dutch town of Arnheim where they were annihilated by the Germans, a Washington report disclosed.

BRITISH EXPORTS RECORD DROP, ROOSEVELT STATES

Declined by 50 Per Cent in Value and 70 Per Cent in Volume Since War Outbreak

Special to the Nippon Times

STOCKHOLM, October 6.—Britain's exports, exclusive of munitions, have declined by more than 50 per cent in value and 70 per cent in volume since the outbreak of the war, said President Roosevelt in a statement on the present situation facing the British and American export trade, according to an article entitled "British and American Exports" in the September 9 issue of the Economist. Continuing the article stated:

"The value of American exports, on the other hand, said Roosevelt, during the first six months of 1944, was somewhat above the average annual rate of shipments during the four years from 1934 to 1938. In matter of exports, Britain, will, therefore, start from a much lower level than the United States after the war. This is a serious disadvantage, if it is remembered that Britain's merchant shipping fleet and foreign investments both have been severely depleted during the war.

Roosevelt doubtless mentioned the facts about foreign trade in order to restrain ill-informed comment about Britain's economic position and intentions at the end of the war, and in order to put a case for prolonging some lend-lease shipments.

He also wisely emphasized the need for devising economic policies that "will make it possible for these nations to pay for their purchases." But the Americans won't be able merely to start their peacetime exports from a higher level in relation to pre-war trade.

The United States will also go ahead of Britain in its preparations for expansion in the production of peace goods. It would be ridiculous to deny the American the right to utilize all surplus war production capacity for the purpose of civilian production. But it should not be impossible through the agency of the combined boards in Washington, to ensure that Britain will participate in some measure in the reconversion for peace purposes of productive capacity no longer needed for war requirements.

This does not mean that resources should be set free on a strictly proportionate basis in the two countries. It means that there should be no needless time lag or difference between them in the curtailment of war production programs.

2 Army Heroes Promoted

Colonel Ryoji Yamamoto and Colonel Toyoshige Kusuno have been posthumously promoted to the rank of major general, it was announced by the War Ministry on Saturday. The late Major General Yamamoto, a native of Hiroshima Prefecture, who had been active on the front as a Unit Commander since February this year, was killed in action on August 20. Hailing from Tokyo, the late Major General Kusuno died from illness on September 8. He had been serving as a Unit Commander at the front since August this year.

CHURCHILL WARNS M.P.'S

Says a Great Deal of Blood Will Be Shed in Coming Months

Domei

STOCKHOLM, October 6.—In his appeal for inter-party harmony during a debate on a postwar reconstruction bill, Prime Minister Winston Churchill, today, warned the members of the House of Commons that "a great deal of blood is going to be shed in the next few months in Europe," according to a London dispatch.

Directed primarily against war optimism prevalent within England despite his repeated warnings, Churchill said. "Liberal, Conservative and Labor blood is going to be shed. It is my duty to see that no needless cause of difference should arise."

YANKS RETURNING HOME AFTER WAR, STATES F.D.R.

President Against Communism But Emphasizes It Does Not Apply to U.S.S.R.

Special to the Nippon Times

LISBON, October 6.—In a nation-wide broadcast, President Roosevelt in his second campaign speech last night from Washington emphatically repudiated Governor Thomas Dewey's repeated charge that the administration does not plan to bring servicemen home as quickly as possible because of the fear that they cannot be provided with jobs, according to a Washington report.

"My administration has been working on demobilization plans for many months," Roosevelt told his radio audience, "and servicemen will come home at the earliest possible moment consistent with our national safety."

Roosevelt cited the measures introduced by Senators Walter F. George of Georgia and James E. Murray of Montana last February which contains the provision that "the War and Navy Departments shall not retain persons in the armed forces for the purpose of preventing unemployment." The President added that this bill was passed by Congress and signed by him and is now a law.

Continuing, Roosevelt accused his political opponents of creating what he called "fear propaganda." In answer to the charge that his administration has been selling out to the Communists, Roosevelt asserted that he does not welcome the support of any person or group committed to Communism. Neither does he welcome the support of Fascism or any other foreign ideology which would undermine the American system of Government or the American system of free competitive enterprise and private property.

Lauds Soviet Union

"My repudiation of American Communists does not extend to the Soviet Union," he asserted, paying high tribute to Russia as a war ally. "My administration," he emphasized "will continue friendly relations with that nation in the interests of world peace."

Touching next upon the present situation in the various war theaters, the President went on to say that the Germans and Japanese are as fanatical and determined as ever. "But," he declared "even though our allied troops in Germany had to fight their way across the Rhine and might have to fight every inch of the way to Berlin, they will not stop short of their final goal!"

This speech may be the last of the President's fourth term campaign. All plans for a fourth term address in Madison Square Garden in New York City and other political gatherings have been banned, according to the New York Times, by orders from the White House, presumably issued by the Secret Service in the interests of the President's personal safety.

Following the Chief Executive on the radio network, Senator Harry Truman, Roosevelt's running mate, declared in St. Louis that all would be well if the votes were taken in the homes today. "But," he said, "they are counted in the voting booths and not in the homes."

Truman, who was in St. Louis for the baseball world series between the St. Louis Cardinals and the St. Louis Browns, mentioned that the Democrats would need a big vote to win.

Dewey Hits F.D.R.

Meanwhile, Governor Dewey, of New York and the Republican presidential nominee, accused Roosevelt of working for the support of Communists in his bid for a fourth term. He said that all Republican leaders claim that such an idea will inevitably come into the minds of the American people.

"Moreover," continued Dewey, "the Roosevelt administration plans to hold men in the armed services for a time after the war in an effort to prevent unemployment."

According to a Chicago report, Governor John Bricker of Ohio, and Dewey's running mate, in a campaign address delivered last night at Rock Island, Illinois, declared that the Democratic Party has been sold to the Hillmans and the Browders and the radical elements in this country.

"This 'sale' was in the making within a few months after Mr. Roosevelt took office in 1933 and it has been in the process of consummation ever since," asserted Bricker.

Danish Prince Dies

Domei

BERLIN, October 6.—His Royal Highness Prince Gustav, youngest brother of the King of Denmark, passed away last night due to heart-attack at the age of 47, according to a Copenhagen dispatch.

Tito Meets Premier Stalin

Domei

STOCKHOLM, October 6.—General Joseph "Tito" Borozovitch, commander of the Yugoslavian guerilla army, recently visited Moscow and met Premier Josef Stalin, according to a diplomatic correspondent of the Daily Telegraph.

Fuehrer's Headquarters

October 6

The Greater London area was again subjected to V-1 raids.

On the Western Front, the enemy in the area north of Turnhout continued his attempts at breaking through in the direction of Tilburg after bringing up fresh formations. His offensive spearheads were repulsed, however, in counter-thrusts after initial successes of minor importance. Particularly fierce fighting raged in the area of Wageningen where our divisions from the east and west deployed for attack in order to narrow down the enemy bridgehead. In this fighting sector, the enemy offered fierce resistance and reinforced his bridgehead garrison by dropping more paratroop contingents. A fierce battle is now raging there.

South of Geilenkirchen, the enemy started another attack from his bridgehead in an easterly and northerly direction but was checked immediately by our counter-thrusts. During the past two days 40 enemy tanks were destroyed here.

The enemy breach north of Nancy was sealed off and four officers were taken prisoner together with 110 men. The enemy attempted to penetrate our positions between Epinal and Lure on the spurs of the western Vosges on a broad front but his strong attacks were either frustrated or intercepted everywhere partly in counter-thrusts.

In central Italy, the enemy with strong artillery forces repeated his attempt at break-through into our mountain positions on both sides of the road leading to Cologne on a broad front in order to penetrate the Po plains but the enemy attacks which had been repeated several times in various sectors were foiled in heavy fighting. All enemy thrusts in the Adriatic coastal sectors have likewise been frustrated.

In the Balkans, heavy fighting is still being continued in the gravity centers south of the Iron Gate and in the Belgrade area. German and Hungarian counter-thrusts in the region west of Arad are gaining more ground with the support of our battleplanes. The enemy attacks on the remaining front of the Hungarian-Rumanian border district southwest of Grosswardein and west of Torenburg have been warded off while the large-scale Soviet attacks in the wooded Carpathians decreased in violence. Attacks of minor importance launched at places amidst heavy rainfalls and the first snow remained ineffective.

The Soviets started an attack from the bridgehead south of Rozan but they were warded off and breaches of local importance were ironed out in counter-thrusts. A total of 78 enemy tanks was destroyed during the past two days' fighting on the Narev. Southwest and northwest of Schaulen, the Soviets started a large-scale offensive with strong contingents supported by numerous tanks and battleplanes and tough fighting is in full swing here.

Our garrison of Oesel is waging a violent battle against landed enemy forces on the northeastern part of the island.

In the Aegean Sea, our light naval forces sank one British gunboat and captured a part of the crew.

Anglo-American terror bombers raided Muenster and Cologne and directed further attacks against Wilhelmshaven, Dortmund, Coblenz and Rhine. Last night the city area of Saarbruecken was subjected to a British terror raid, while some enemy planes dropped bombs on Berlin. Flak artillery of the Luftwaffe command downed 19 enemy planes including 14 four-engined bombers.

REICH DOWNS 19 RAIDERS

Destroyed in Attacks on Muenster, Cologne and Rhine

Domei

BERLIN, October 6.—Nineteen planes including 13 four-engined bombers of the Anglo-American formations raiding cities in western Germany especially against Muenster, Cologne and Rhine were shot down yesterday.

On the other hand, strong German battleplane and fighter-bomber formations with the first break of good weather supported the ground fighting on the Eastern Front during the past 24 hours. Aiding German and Hungarian divisions west of Grosswardein, German flying units struck against Soviet troops and vehicle concentrations and numerous tanks as well as armored scouting cars were damaged.

Following the day raid with a night raid, strong German fighter-bomber and night battleplane formations pounded Soviet traffic and occupied localities area southwest of Grosswardein while part of the formation carried out a concentric attack on the Arad railway station. Bombs dropped at low altitude caused numerous explosions and fires in munitions train depots.

In the Baltic area, German air units bombed Soviet ferry traffic in the islands in north Riga Gulf.

Also on the Western Front German fighter units during the past 24 hours continued blasting enemy fighter-bombers in the Arnheim and Nijmegen area, while other units raided the fighting zone north of Aachen and enemy traffic in eastern Belgium.

Hoare Back in London

Domei

STOCKHOLM, October 6.—Lord Templewood (former Sir Samuel Hoare), British Ambassador to Madrid, last night arrived in London by air, according to a London dispatch. The Ambassador refrained from saying anything about a rumor that he would be appointed the British Air Secretary, but it is certain that he would be relieved of his present post, says the dispatch.

MIGHTY GERMAN SPIRIT COMBATTING WAR CRISIS

Innate Strength of Race Splendidly Revealed as United Nation Continues Fight

By TAKIO ENA

By Arrangement With the Asahi

BERLIN, October 4.—Germany confronts the enemies on several fronts, but the superb fighting spirit and undying patriotism of the German people, particularly of the youths, are apparent everywhere, defying the onrush of the Anti-Axis military offensive. In spite of the furious battles daily being staged on the German frontier, Berlin is showing brisk activities, with traffic crowded as usual and vehicles carrying busy passengers, attesting to the calmness and composure with which the Germans are determined to combat adversities.

Since the launching of the invasion on the Western front, four months have passed. The stiff resistance put up by the Germans in the recent combats have actually stunned the Anglo-American forces. The Londoners are reported to have admitted that the alleged surrender of the Germans will not be realized in November as they had wishfully speculated and now predict that the Berlin campaign may drag on into winter.

Germany has gone through its most crucial test in the sixth year of the European War, following the loss of France, Belgium and southern Italy, and betrayals by the small Balkan countries. Taking advantage of Germany's setbacks, the anti-Axis forces are about to launch a decisive battle by mobilizing all available fighting strength. Germany, on her part, is determined to take up the enemy's challenge by concentrating in total strength in full battle array to respond to the enemy's offensive.

Shortage Bravely Faced

Berlin is now enjoying a calm before the storm, as the enemy air forces continue to be active over the Western Front.

On the home front, the Germans are enduring shortage of daily necessities. The observance of the rationing of gasoline has become stricter and there is no prospect of using automobiles for private purposes. Two cigarettes for one person a day is the ration for smokers. It is true the loss of natural resources abundant in the Balkans has greatly effected the livelihood of the people, but the same amount of staple food as at this time last year is available, the meat rationing being set at 250 grams per person, and bread at 2.5 kilograms per person, weekly. The Japanese who recently evacuated from Paris and sought shelter in Berlin, found it a treat to be able to get white bread, to have electric lights on the whole day, and to be able to take hot baths at hotels.

Those recently arriving from Rome and Paris, on finding the German capital more devastated than they had imagined, might think that Berlin had been throughly wrecked. However, they would be dumbfounded again at discovering the damaged houses amid the ashes and chaos, inhabited by the people. They would be astounded to see countless number of people clad in uniforms composedly walking along the streets during the rush hours, in the morning and evening.

Berlin is not buried under wreckage, but is vigorously vibrating with life amid the war flames. Street-cars are running all through the night. The intrinsic fighting strength deeply imbedded in all Germans is manifesting itself amid the chaos of the war. No other nation which had fought side by side with Germany showed such enduring strength as that possessed by the Germans. After three to five years of constant fighting, the peoples of some countries became weary of further fighting and betrayed their leaders. The Italians betrayed their great leader, Benito Mussolini in July, last year, and the Badoglio regime capitulated to the anti-Axis in September.

Following the opening of the invasion operation by the anti-Axis forces, the Balkan countries became uneasy, with Rumania and Bulgaria in succession, deserting the Axis camp. Turkey also severed its diplomatic relations with Germany and was followed by Finland. It goes without saying that Germany must combat increased setbacks due to the treachery of Balkan nations. While engaged in bloody struggles against the Anglo-Americans on the one hand, and fighting the Soviet forces on the other, Germany must keep alert watch on every move of the traitors.

Justice and humanity is being completely ignored in Europe amid the raging war flames. Under absurdly complicated circumstances, Germany is standing adamant, fighting furiously and resolutely, single-handed.

"The current war is a war wherein there will be a division of world ideology and then efforts will be made for union again. Therefore it is but natural that some should turn their backs on the National Socialist nation and join the democratic camp, or, abandoning the totalitarian principles, throw themselves into the communistic line-up. In fact the people of the nations who have themselves witnessed this phenomena are not in the least surprised over the occurrence. In other words in these instances, a betrayal is not a betrayal. After the fires of war have subdued, a new nation will arise as a result of ideological union, which will be a separate thing from the racial or nationalistic concepts of today."

This radical argument was upheld by a portion of the people, and furnished the line of reasoning that offered fertile soil for skillful enemy propaganda.

The very simple reason that fortunes of wars are favoring America and Britain explains the fact that so far there has been no betrayal or self-disintegration in the enemy camp. It is only the weak-willed nations, dubious of the outcome of war, that have succumbed.

Racial Will Strong

The racial will of the German people is strong in all respect. One can clearly observe this in the life of the Berlin inhabitants, living among the ruins of the bombed city. The unbreakable will of the German people is tractable to this very difference in racial quality. It is the gift of the nationalistic training under National Socialist guidance.

Although America and Britain may have broken through Germany's western defenses, they are not entirely confident of being able to pierce through the spiritual wall of defense on the western front. The British attach the greatest importance to Germany's spiritual power.

Upon questioning each of the German prisoners on the French front the following trend of thought was found among the Germans, as reported in neutral papers:

1. German officers and men between the ages of 18 and 20 are, as a rule, not opposed to the present national structure as the Americans and British had thought.
2. The others, although they were not enthusiastic about the National Socialist form of government, had not thought of any other desirable form of government to take its place.
3. The idea of independence of religious sects, arising from so-called religious coloring, did not exist. A perfect unity of thought had been attained under the concept of Entire Germany.

Regardless of how badly Germany may be crushed, the German spirit, fostered by the National Socialist education is certain to survive in some form and rise again. The Americans and British fear this most of all. The spirit revealed in the heroic deaths of the German soldiers defending to the very last the many fortresses on the Atlantic coast have found a responding echo in the hearts of the German people. It has become the signal for all Germany to take its resolute stand for the decisive struggle.

To die gallantly in order to crush the enemy is the predominating thought of every German youth beginning with the Hitler Jugends. This firm determination has taken deep root among the young officers, at least up to those of sub-lieutenant rank, in the German forces.

To combat the enemy, which relies on the greatness of its material strength, Germany is now engrossed in the invention of new weapons. In this "war of brains" each German is making his firm stand. What strikes us with greater acuteness is the innate strength of the German race, nurtured to its present greatness by the vigorous spiritual training of the National Socialist government.

ROOSEVELT IGNORING HULL

N.Y. Times Writer Urges Resignation—Uninvited to Quebec Talk

Domei

LISBON, October 6.—Arthur Krock, writer for the New York Times and a close friend of Cordell Hull, Secretary of State, in his article yesterday, virtually urged the resignation of the Secretary of State before he is completely forgotten or ignored, according to a New York dispatch.

Stating that Mr. Hull is a very old man of 73 years, Krock predicted that even granting President Roosevelt is reelected Hull will most likely be relieved of his post of Secretary of State. Furthermore, if Mr. Hull presents his resignation, the President will probably not urge him to remain.

Roosevelt and Hull, Krock said, were not on the best of terms recently and in many cases Roosevelt completey ignored Hull's viewpoint. For instance, at the Quebec parley, non-specialist Henry Morgenthau, Jr., United States Secretary of the Treasury, was asked to participate in the post-war talks but Hull was not invited.

Concerning international economic problems, too, Krock added, the President recently confers almost exclusively with Leo Crowley, Director of the Office of Foreign Economy Administration.

BRITAIN'S COAL OUTPUT CONTINUES TO DECREASE

Fuel Minister Says Production Is Going Down by 150,000 Tons a Week

Special to the Nippon Times

STOCKHOLM, October 6.—British coal output is steadily going down by 150,000 tons a week, while the demands for coal are going up, Major Lloyd George, British Minister of Fuel and Power, declared yesterday, according to George Darling, a commentator of the British Broadcasting Corporation. Darling, in his comment on the coal problem, stated:

"Now that winter is coming on us we are reminded again of this country's coal problems. Minister Lloyd George has decided that offices and other buildings can turn on their central heating from Monday. When he told the House of Commons of this decision, he reminded everybody that there will have to be the strictest economy in the use of coal if we are going to get through the winter without any serious trouble.

"Earlier this week he told the House that the coal output is still going down in spite of the higher wages that are being paid under the last wages award. He said that the main cause of this drop has been the big increase in voluntary absenteeism, particularly among the younger miner. It has been suggested that many of them have been taking days off just because they had an increase in wages. By working fewer shifts they can still get the same money.

Production Drops

"Lloyd George said that output is steadily going down by 150,000 tons a week while the demands for coal are going up. The transportation of armies and supplies to the battle front requires an ever-increasing quantity of coal; and the popular desire to see the blackout lifted and the street lamps lit again is going to use up a great amount of coal. And, as the result of the flying bomb damage, there are thousands of drafty homes which will need more coal this winter and more gas to make up for the lack of windows. So, as production goes down and the needs for coal go up, the position gets worse and worse.

"The Minister of Fuel and Power put these facts before the miners' leaders and they have promised to explain this urgent need for coal in every coalfield, in every miners' lodge and to every individual miner as quickly as possible. He is going to see the coal owners next week when he will tell them what their part will be in this drive for more production.

"Unfortunately there is no one simple solution to the problem which is very complicated and which has too many 'ifs' in it: if there were more coal miners we would have more coal; if the miners could oust voluntary absenteeism output would go up; if we had a lot of machinery—first-rate, modern machinery—each miner would be able to produce more if we could reorganize the laws of our coalfields and get the neighboring mines to work together efficiently; if we could strike out a lot of old methods and ideas and start afresh, and so on.

Is Old Industry

"One of the troubles is that coal mining is an old industry, and it is sometimes very difficult to introduce newer methods into the mines that were fitted up according to the mining practices of many years ago. It also has been a neglected industry, frequently struggling against adverse prices and conditions and often on the verge of bankruptcy.

"Many experts believe that we will not be able to get any more coal merely by tackling one problem at a time. Anyway, the Minister of Fuel and Power is trying hard to deal with all the causes of the present low level of production. We have had American mining engineers over to look at our mines. They have also given advices on the kind of machinery we need and that machinery is being supplied as quickly as we can get it.

"Lloyd George has appointed a small committee of British mining experts to tell him what technical changes are needed to make the industry more efficient. And, as I stated, he has told the miners' leaders and the coal owners what is required of both sides of the industry to improve production so that we can get through the coming winter without too much hardships and without any slackening of the nation's war efforts."

SECURITY MEET CLOSING

Ends Before Schedule as Chungking Accepts Plan Already Drawn

Domei

LISBON, October 6.—The final session of the Dumbarton Oaks talks is expected to be held tomorrow ahead of schedule as the Chungking delegation, today, accepted without change the plans for a world security organization drawn up by Britain, the Soviet Union and the United States in the first phase of the conference, according to a Washington dispatch.

While the Chungking delegates had several specific points to bring up during their talk, it was said that the British and American delegates had persuaded them in such a manner they were satisfied that the principles they supported either were included or implied. The Chungking delegates decided that other points they wished to make were technical details which could be brought up for discussion some other time.

3-Power Meeting Closing

Special to the Nippon Times

LISBON, October 6.—The second phase of the World Security Conference conducted at Dumbarton Oaks near Washington by the Chungking, British and American delegates will end soon and it is reported that the "four-Power plan for a new League of Nations will be shortly released in detail to the American public," a Washington report disclosed today.

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Capital Paid-up ... ¥[illegible]
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President:
HAYASHI OKAHASHI
Home Offices:
Osaka, Sapporo, Tokyo, Yokohama, Nagoya, Kyoto, Amagasaki, Kobe, Wakayama, Okayama, Hiroshima, Tamai, Hikari, Shimonoseki, Moji, Kokura, Yawata, Wakamatsu, Fukuoka, Kurume, Saga and Kumamoto.
Overseas Offices:
SHANGHAI & DAIREN
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Established 1880
Capital (Paid up) ... ¥[illegible]
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Head Office, Yokohama
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Every Description of Banking Business Transacted.

[illegible] EXHORTED BY KOISO

Advises Vigorous Execution of Administrative Policies in Lower Gov't Branches

Prime Minister General Kuniaki Koiso, in his address delivered at the regular Cabinet meeting on Friday, suggested that the Ministers of State see to it that the wartime administrative policies will be carried out vigorously even by the lower branches of the administrative machinery.

"Now that the war situation has become further strained," Prime Minister Koiso said, "it is not the time to carry out unnecessary reforms in the administrative machinery. We are determined, however, to take positive measures to solve all bottlenecks in the way of smooth functioning of the nation's administrative policies."

The Prime Minister said he would exchange unreserved opinions with the Ministers of State individually so that various problems may be settled quickly. Drawing his colleagues' attention to the fact that so far it often happened that policies which had been fully approved by the Ministers themselves failed to be realized satisfactorily by the lower departments of the respective ministries, the Prime Minister solicited the best efforts on the part of his colleagues to see to it that such defects will be removed so that the whole administrative machinery of the nation will be geared to the satisfactory prosecution of wartime policies.

ASIA YOUTHS HOLDING MEET

Beginning From October 9 for Three Days in Nanking

Domei

NANKING, October 6.—The second conference of the leaders of the Greater East Asia Youths and Boys Corps is scheduled to be held here for three days beginning from October 9 at the headquarters of the Nanking Hsinminhui Movement. The function will be attended by the delegates representing Japan, Manchoukuo, China, the Philippines and the Provisional Government of Free India.

On the first day of the conference, a plenary session will be held and on the second day which falls on the Double Tenth Festival, a celebration commemorating the festival day will be observed in the morning, and in the afternoon of the same day committee meetings will take place.

On the last day, committee meetings will be conducted in the morning as well as in the afternoon and all the delegates will meet again in a plenary session. The conference will come to an end on the evening of October 11.

Cable Briefs

ENGLAND IN 'RED'

When Lord Catto, Governor of the Bank of England, said during a speech recently that "it would not be easy for England to recover economically," he was putting it mildly. Great Britain's debts, even today, are already three times the amount incurred during the whole of the last World War.

MUSIC FOR YANKS

In order to give the boys "over there," and in America too, a bit of much-needed cheer, President Roosevelt has asked James Petrillo, President of the American Federation of Musicians, to withdraw his ban on the manufacture of records for transmission purposes and for use in "juke boxes."

WARNING TO COWS

Even the main cities of America are taking on the aspects of a farmyard. J.V. Stone of Salt Lake City, Utah, recently petitioned the City Council to prohibit the keeping of cows, hogs and fowl within the city limits. He complained that this fondness for livestock made itself apparent when the meat rationing began.

LONDON CZECHS SQUABBLE

All is not quiet in the Czechoslovakian emigrant organization in London. The so-called Defense Minister, General Ingin, as well as "State Minister" General Viest, resigned, this crisis being preceded by a quarrel between President Eduard Benes and Stefan Osusky, former State Minister, some time ago, according to Reuter's.

Turkey Reopens Navigation

Domei

BUDAPEST, October 4.—The navigation of Turkish steamers in the direction of the Aegean Sea had been prohibited since August 29 but the Turkish Government today, reopened the navigation along the Mediterranean with the exception of the Black Sea, according an Istanbul dispatch. Meanwhile, an Ankara report revealed that the Turkish Government has decided to release French steamers of the Danube River Transportation Company which have been detained in Bosporus harbor since 1941.

Crippling Losses Dealt Enemy in China in Big Nippon Offensive

Japanese Account for 186,000 Anti-Axis Troops in 6 Months, Occupy Territory One and a Half Times the Area of Japan Proper

The great offensive operation of the Japanese Forces in China that was started six months ago with the attack on Chungking's First War Zone in Honan Province in April, has resulted in placing Kweilin in an extremely dangerous situation, and the Japanese now are almost on the point of completing their plan to cut China in two, the west and east.

Losses suffered by the enemy in this six-month period were tremendous for he lost 186,000 soldiers and great quantities of war material. Besides, the area occupied by the Japanese totals approximately one and a half times the entire area of Japan Proper.

Japanese Forces that smashed the troops in the First War Zone under the command of Tang En-po, and occupied Loyang, capital of Honan Province, immediately started a new offensive against the Central China region and advanced toward Changchow. Thereupon the American military leaders came to realize the grand scale of our operation and also the firm determination of our command.

Moreover, they began to worry over the thought that the Japanese were intending to build a "great wall" extending 2,000 kilometers, south to north, and that upon the materialization of this plan the settlement of the War of Greater East Asia would be prolonged. Thus they attempted to stop the Japanese advance, and urged Chungking to resist the Japanese Forces with greater efforts. At the same time, all the United States forces in China were employed in the attempt to stem the Japanese advance.

However, the Japanese Forces, by their skilful maneuvers and well-planned strategy, inflicted great losses on the enemy, and the worry of the American command increased.

The results that the Japanese Forces gained in the past six months since the commencement of the great offensive follow:

1. Enemy strength smashed:
   - A. Enemy bodies found on the battlefields and war prisoners taken: 186,000.
   - B. Enemy strength annihilated or smashed: 36 armies, or 120 divisions (mostly belonging to Tang En-po, Chiang Ting-wen, Hsueh Yueh, and Sun Lien-chung).
   - C. Principal arms captured: about 750 artillery pieces, about 3,200 heavy and light machine-guns; about 38,000 rifles. (The present equipment of the Chungking army consists of 2,200 rifles, 150 light machine-guns, 35 heavy machine-guns, and 20 artillery pieces, for one division of the regular forces).
   - D. Enemy planes shot down or damaged; 1,274 (up to the end of August).
2. Provincial and hsien (prefectural) capitals occupied:

Honan Province: One provincial capital and 13 hsien capitals:—Loyang (provincial capital), Chengchow, Hsuchang, Kioshan, Juicheng, Yucheng, Hiangcheng, Kiahsien, Yehhsien, Wuyang, Piyang, Mihsien, Kwangwu, Kunghsien.

Anhwei Province: One hsien capital:—Shanying.

Hupeh Province: One hsien capital:—Kungan.

Chekiang Province: Three hsien capitals:—Chuchow, Lishui, Wenchow.

Fukien Province: One hsien capital:—Lienkiang (Foochow, provincial capital, is about to fall).

Kiangsi Province: Two hsien capitals:—Pingsiang, Lienhwa.

Hunan Province: One provincial and 27 hsien capitals:—Changsha (provincial capital), Pingkiang, Changshowtien, Liuyang, Lingling, Yuhsien, Chaling, Anjen, Siangyin, Siangtan, Siangsiang, Paoking, Yungmin, Chungshan, Chungyang, Changnin, Liling, Taohsien, Yungfeng, Chiyang, Tungan, Hengsiang, Ninsiang, Yiyang, Yuankiang, Nanhsien, Ansiang and one other.

Kwangtung Province: Sixteen hsien capitals:—Kaiping, Hsinkiang, Yunan, Kaomin, Chaoking, Teking, Fengchuan, Chingyuan, Ssuhui, Kingnin, Tungan, Tsengcheng, Loongmen, Tsunghwa, Suichi, Hsicheng.

Kwangsi Province: Eight hsien capitals:—Luchwan, Yunghsien, Wuchow, Tanchuk, Hsinte, Hwaichi, Kuanyang, Chinhsien.

Thus, in the nine provinces, two provincial capitals and 72 hsien capitals were taken, and the newly-occupied territory totals about one and a half times the entire area of Japan Proper.

3. Airbases destroyed: Changsha, Siangtan, Hengyang, Paoking, Lingling, Wuchow, Tanchuk, Lishui, Hengchow, Loyang, and Lushih, or 11 bases. The enemy air bases which were destroyed by the hands of the enemy are Chikiang, Kweilin, Chungshan, Liuchow, Yuanling, and Nanning. Air bases which have become utterly useless as their supply routes have been cut off include Yushan, Chien, Suichuan, Kienow, Lungyen, Nanyung and Kungchow, or seven bases.

The above shows the severity of the blow inflicted upon the enemy in the recent great offensive. That is to say, the great success gained by the Japanese Forces on the continental front caused the Chungking regime to lose more than one-half of its central army corps, and the two great granaries of Hunan and Honan, that had formerly economically supported the anti-Japanese resistance operations. Moreover, the United States air force lost most of its advance bases in the southeastern, central and southwestern sections of China, and their entire strategic plans have been completely smashed.

It is obvious that the American strategy against Japan is to land on the southeastern China coast, to isolate Japan from the Southern Regions, to strengthen the forces in China, and to attack Japan from the sea and the continent. In the Pacific, the enemy is scheming to cut off the communications between Japan and the Southern Regions and to establish bases in China. Already, skirmishes for attaining this end are being fought. But for the enemy to gain this aim, the cooperation of the American air force in China and the Chungking army is an important prerequisite.

However, due to the successful operations of the Japanese, the American-Chungking joint forces are now facing total destruction. In its report on September 25, the United States War Department pointed out the above fact and said that by the success of the Japanese Forces in China the long-term war structure of Japan has been further strengthened, and the anti-Japanese war efforts have received a big setback.

Among Chungking, the United States and Britain, arguments are being held regarding the responsibility for the defeat on the Chinese Continent. As the development of the continental situation has an important strategic bearing on the outcome of the War of Greater East Asia, it cannot be conceived that the enemy will let Japan win the one-sided victory in China.

But the Japanese Forces have already reached a point only about 20 kilometers from Kweilin, and are now in control of a 2,000-kilometer stretch of the Peking-Hankow-Canton railway, there being left only a little more than 100 kilometers to take over. The Chiang-American forces are now desperately attempting to improve their position, and are said to be preparing for a decisive battle by bringing up the mechanized, Americanized Chungking forces of the Yunnan Expeditionary Forces, which are now said to total about 60 divisions.

U.S. Bows to Soviets

Domei

BERLIN, October 4.—The American State Department, according to the British News Service, has denied that the United States had lodged a protest against the expulsion of Anglo-American officers from Bulgaria by the Soviets. The Wilhelmstrasse is paying great attention to this fact which is interpreted as follows: The American State Department is hurrying to assure Moscow that it would not complain about the smack in the face received from the Soviets.

Takeuchi, Shiozawa Confer

Domei

PEKING, October 5.—Shimpei Takeuchi, Vice-Minister of Greater East Asiatic Affairs, who is at present visiting here heard reports on the reconstruction activities in North China from Lieutenant-General Kiyonobu Shiozawa, Japanese Minister in Peking, and also from staff members of the Japanese Ambassadorial Office. Following a luncheon with Wang Shih-tsung, Director-General of Finance of the North China Political Affairs Commission, Mr. Takeuchi held discussions with the executives of the North China Development Company and its subsidiaries.

Greeting P.I. Anniversary

Domei

MANILA, October 5.—The New Philippine Symphony Orchestra will give a special performance at the Metropolitan Theater on October 22 in connection with the first anniversary celebration of the Philippine independence. "Marcia Grande" especially composed by Kosaku Yamada, noted Japanese composer, to greet the independence of the Republic will be featured along with other Filipino numbers.

EUROPE'S FATE HINGES ON BATTLE IN RHINELAND

Historic City of Aachen in West Sector is Vital Outpost of Siegfried Line

The anti-Axis headquarters announced on October 2 that a great Anglo-American offensive, a joint affair of air and land forces, had started in the Aachen area, and it seems as though there were going to be a decisive battle over the whole of the Rhineland.

Aachen is an important point near the border between the Netherlands and Belgium, and is 45 miles west of Cologne. In the middle part of last month, the anti-Axis forces were threatening the outskirts of Aachen but they could not reduce the city itself and had to skirt round it.

From old times the city has been known as a hot-spring resort. An old capital of Charles the Great, it has a wealth of places of historic interest.

It must be fresh in the memory of one that the great cathedral, where the ashes of the great Emperor are deposited, was damaged in a blind raid last year by the American and British air forces.

The city has a very old connection with the German people. It was at this city that for 700 years up to the nineteenth century the coronation ceremonies of various German Emperors were held.

At the time of the Napoleonic wars the city was under French occupation, and it was not until 1815 that it reverted to German ownership to form a part of the Prussian territory. The development of this old capital as a modern city was made possible by the development of coalfields in the surrounding country.

It was an important center of communication. It also prospered as a commercial city. In the present war the city is of great importance as forms a post outside the Siegfried line of fortifications.

The Rhineland with Aachen at its western extremity includes the Ruhr and Saarland with their vast coalfields and is a great center of heavy industry in Germany.

Following the first World War France occupied Rhineland in place of an indemnity, the underlying idea of the act being to keep Germany from this area. At Aachen in October 1923 the Independence of the Rhineland Republic was declared. But the Republic itself did not eventuate.

The British and French forces evacuated Rhineland by 1930. There followed the conversion of the region into a demilitarized area as far as Germany was concerned.

In March 1936, after the National Socialists had come to power in Germany with the effect of giving further impetus to the movement for the abolition of the Versailles Treaty, the Reich Army advanced into Rhineland.

It is in this region so full of historic associations that there is going to be fought a battle which will decide the fortune of Europe for the coming 100 years.

PHONE CONTROL TRAINING

Practice of Restrictions During Raids To Be Held Twice Today

In order to prepare for emergency times, the Communications Board of the Transportation and Communications Ministry is to conduct, today, training in controlling telephone conversations during air-raids throughout the country.

The training will take place twice, once in the morning, from 10 a.m. to 10:30 a.m., and again at night from 8 p.m. to 9 p.m. In the event of an actual air-raid, the restriction is to be enforced for the duration of an air-raid alarm and for one hour after the lifting of the alarm, although it will be extended to five hours in the event of actual enemy air raids and further prolonged in the event of damage occurring.

Filipino Assemblymen Named

Domei

MANILA, October 5.—Tomas Molina, former Governor of Rizal, and Fiscal Benjamin Tirona of Cavite were elected assemblymen of their respective provinces in a special election held on Tuesday to fill the vacant seats in the National Assembly. Mr. Tirona is the son of Emiliano Tria Tirona, Minister of Public Health and Public Welfare.

Tokutomi Meets Koiso

Soho Tokutomi, the well-known journalist, visited Prime Minister General Kuniaki Koiso at the latter's official residence at 9 a.m. Saturday.

Okuda Given New Post

Shinzo Okuda, Embassy Counselor, has been appointed Director of the Non-Ferrous Metals Bureau of the Munitions Ministry, it was announced on Saturday.

Press Comments

Saturday, October 7

ANGLO-AMERICAN REACTION TO THE SOVIET UNION'S SOUTHWARD DRIVE

ASAHI—The vigor of the southward advance of Soviet influence along the Balkans is really remarkable. The Soviet Union has thrown large armies into Rumania and Bulgaria, and now has again advanced into former Yugoslavia where her troops have established a liaison with Marshal Joseph 'Tito' Brozovich's guerrilla forces. Now, advancing further southward, the Soviet forces are about to contact with the Greek guerrilla forces. Thus, all the forces which were more or less sympathetic to the Soviet Union and which have hitherto been scattered in isolation all over the Balkans are being rallied and united and are about to form one great force.

By all these actions the Soviet Union is making an inroad into what Britain considers the minimum area of her own sphere of influence, that is, Turkey and Greece. If Britain still desires to maintain the already disintegrating British Empire, then she cannot but feel uneasy at the speedy advance of Soviet influence into the Balkan area which is an important position on the road to India, especially over the advance into the South Balkans.

According to the British version, on the Polish front, which is the frontal German fighting line, the Soviet Union has been marking time in the Wistula River area, moving very little to the west. On the other hand, she has been continuing her southward advance into the Balkan area, greatly to the suspicion and dissatisfaction of Britain.

Hitherto, the Balkan area has been the great path, and formed the base, for the southward advance of Soviet influence; the Soviet Union has even been considering it the foremost line of the Soviet national defense. Not only for geographical reasons but from racial and historical viewpoints too the Soviet Union has been turning her greatest efforts to this very area. That the Soviet Union at the outbreak of the German-Soviet War declared her war aim as being a just fight for national liberation, and on the other hand, at the same time launched the Pan-Slavonic movements, already suggesting her intentions toward the Balkans.

The former Pan-Slavonic was an ideological movement of the 19th century which aimed to rally all Slav nations on the basis of Slav culture and to form a league of all the Slav nations. Even though the Soviet Union may have given a new shape to this movement, the fact that she launched this movement at all clearly shows that her aim was to rally the West Slavonic and South Slavonic nations of the Balkan countries. It goes without saying that the Balkan policy of the Soviet Union has always been closely with this racial policy.

At the same time, the Soviet Union's statements about the liberation of all nations who are under "control" of Germany mean that the Soviet Union is trying to create a particular structure in those territories too. On this point a fundamental difference can be noted, the intentions of America and Britain being to restore the old pre-war order. And while America, Britain, and the Soviet Union all advocate as one of their war aims democracy, when things are looked into more closely it can be seen that while America and Britain are aiming at a plutocratic democracy, the Soviet Union is aiming at an entirely different kind of democracy. Therefore on this point also the two sides are mutually irreconcilable with essentially conflicting differences.

Even in France and Italy, which America and Britain as a matter of course consider their own sphere of influence, the Soviet Union is claiming a voice, and it is possible that even there she has already established a powerful political bridgehead.

However, in that area for some time to come the trend will probably be to carry on in the form of a compromise in coordination and union with Anglo-American influence. A changeover to Soviet domination at one leap is not expected there; rather, a course of gradual procedure, phase by phase is expected.

With regard to eastern Europe and the Balkans, inasmuch as the Soviet Union considers that particular area to be her own sphere of influence, her attitude will naturally be different. That is to say, in that area the Soviet Union is taking an entirely independent action and is even displaying an attitude of resolutely admitting of no voice or interference by the Anglo-American Powers.

This is not only because, from the viewpoint of the Soviet Union, the Balkans stand in a special relationship with her but because she considers that she can claim the Balkans as compensation for the enormous efforts and sacrifices she has paid in this war. That the rights which each country is supposed to be granted after the war should depend on the efforts and sacrifices which each country has made during the war is what the Soviet Union has always been maintaining. And the Soviet Union asserts that the efforts and sacrifices she has been making are very much greater than those made by America and Britain.

Following the withdrawal of Germany, who had for a long time played the role of a stabilizing power in the Balkans, reports have now reached here to the effect that the Anglo-American forces landed in Greece already on October 3. Thus inevitably the situation in the Balkans has brought to the surface the direct conflict of the Soviet sphere of influence and the Anglo-American sphere of influence. Probably, there will be revelations of further conflicts within the U.S.-Britain-Soviet camp.

Defense of the Palau Islands

MAINICHI—The sanguinary battles now being fought on Peliliu and Angaur Islands in the Palau Group are stirring the blood of the Japanese people. The developments in the war situation in that area have been announced by the Imperial Headquarters. The commander of the Army Defense Forces in that area is Lieutenant-General Sadae Inouye and of the Navy Forces, Vice-Admiral Kenzo Ito, the announcement also revealed. That announcement was made of the names of the commanders of the defense forces when the battles are still being fought furiously is unprecedented and may at the same time be said to be quite appropriate.

Every one of the officers and men who are fighting under the command of these distinguished commanders and every one of the heroic fighters who have already sacrificed themselves after fighting valiantly under the Imperial banner, was or is a most loyal warrior of Imperial Japan whose deeds add luster and brilliancy to the pages of the history of our country.

It is already more than 20 days since the enemy forces effected their landing on these two islands. The losses which our Forces inflicted on the enemy during this time totalled upwards of 18,000 men on land alone and more than 190 tanks put out of action. Besides, heavy blows were also dealt to enemy guns, ships, boats and airplanes.

The enemy, in attacking these islands, as has been his customary practice, had ready abundant quantities of materials as well as a huge number of men. But the fact that the valor of the officers and men of our Imperial Forces gave the enemy a blow several times harder than he had expected is even attested to by reports emanating from the enemy camp. It is also a fact that the enemy has been forced to make one replenishment after another of his men. By the Imperial Headquarters' announcement of figures of the enemy losses, we can see vividly the reason why the enemy had to undertake such a costly warfare. And what is of particularly great significance is the large number of enemy soldiers killed. Losses of men are what the enemy is most afraid of and to inflict such losses is what our side is aiming at. However, in the operations on these islands, which are different from field battles on the continent, this is considered a very difficult thing to accomplish. Yet, now it has been revealed as a fact. Nothing but the valor of the officers and men of the Imperial Army and Navy could have accomplished this.

No praise is great enough to laud this valor and no gratitude deep enough to thank them for their painful efforts. On islands in the southern area our heroes are thus fighting with a spirit which burns like a torch. There is not a moment of rest in their fighting. When we think of this, there should not be even a moment of rest for us on the home front.

Social and General

The French Ambassador Henri Cosme and Madame Cosme gave an informal luncheon in honor of Mr. and Mrs. Yui Yokoyama at the Embassy on Thursday. Among the guests present were Madame Sawada, Baron and Baroness de Boisseson, Captain Francois Bachy and Marquis Laurens-Castelet.

Madame Cosme, wife of the French Ambassador, left for Karuizawa on Friday for a few days' stay.

Mr. Jacques Pingaud of the French Embassy and Madame Pingaud left Tokyo for Karuizawa on Friday afternoon.

Mr. Staberey of the Skoda Works Ltd. has moved from the Imperial Hotel, Tokyo, to the Fujiya Hotel in Miyanoshita.

Sakamaki Replaces Onishi

Vice-Admiral Munetaka Sakamaki has been appointed Director of the Air Arms Bureau of the Munitions Ministry in place of Vice-Admiral Takijiro Onishi, it was announced, Saturday.

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TOKYO, SUNDAY, OCTOBER 8, 1944

Sir John Anderson's Speech

Sir John Anderson, British Chancellor of the Exchequer, declared in his speech at the Lord Mayor's luncheon at the Mansion House last Wednesday that Britain will not return to the gold standard, according to a London dispatch a couple of days ago. The Chancellor of the Exchequer bluntly warned that Britain will not be bound by the final draft of the International Monetary Fund which was approved by all the participating nations at the Bretton Woods Conference, although he significantly added that if the United States and other financially important countries accepted it "we must not reject it lightly."

This speech by the British Chancellor of the Exchequer in which he obstreperously hammered on the theme of Britain's weakened economic condition would seem to indicate that the speech was not meant for the ears of the British public but for the American audience across the Atlantic. His address appears to be nothing more than a noisy demonstration to attract the sympathy of the United States to the critical plight of Britain. It is a desperate appeal to the American Colossus that it must continue to send Britain American Lend-Lease products or else Britain will be forced to remain off the gold standard and even to scrap the Bretton Woods agreement.

There does not seem to be much doubt that Sir John Anderson had his eyes on the American Lend-Lease assistance when he delivered his address at the Mansion House. The British have for some time been worried that the American Government may suspend the Lend-Lease deliveries when the center of the war shifts to the Pacific front. The News Chronicle, a British journal, admitted recently that the fear of the possible termination of the American Lend-Lease aid was causing "nightmares" to the British official circles. British industrialists, moreover, had been thrown into a fit of desperation when they heard from the American National Association of Manufacturers that the American government circles doubted whether Congress would understand the British need for further Lend-Lease products. In fact, Sir Anderson himself let the cat out of the bag, no doubt purposely, when he declared that "our external debts fill me with dismay, although I would not like to contemplate what they might have been but for that financial miracle of Lend-Lease." It would thus appear that Sir John Anderson's speech, containing meaningful threats, was a sly intimation to the American people that if they would oblige Britain by continuing to send Lend-Lease materials, Britain may abide by the Bretton Woods' currency stabilization scheme.

That the British should clamor for the continuation of the American Lend-Lease agreement which expires in June of next year and which could be terminated any time by Congress is obvious. Britain's external debt is now estimated to be about £3,000,000,000. Her overseas investments which amounted to £5,000,000,000 just before the year 1939 has now shrunk to less than £1,000,000,000. In 1939, just before the outbreak of the current European war, British income from her foreign investments amounted to £200,000,000 but by the end of the present war, her interest from this source may not be more than £50,000,000. Her battered merchant marine, the grim prospect of a great decrease in her invisible trade, the heavy destruction of her industries by the German Luftwaffe and V-1's have, indeed, blackened the economic horizon of Britain. The work of rehabilitating her factories, shipbuilding yards and other branches of economic activity thus becomes an imperative necessity if Britain is to expand her exports which, in the post-war period, will be her only real source of income. To do this, Britain apparently feels that she must obtain American Lend-Lease products. The suspension of this assistance, Britain realizes, will mean that she will have to pay cash for her imports from the United States. But her coffers are empty. In view of her present economic position, she does not feel, therefore, that she could pay for them without inviting a serious economic crisis as, even in the few years before the enactment of the American Lend-Lease Act, her payments to the United States for munitions and other war materials had amounted to $7,000,000,000 in cold cash!

Such are the obvious reasons for Britain's insistent plea to the United States for the extension of American Lend-Lease aid regardless of the war condition in Europe. But behind that plea also lurks a sinister purpose. Knowing that the burden of the war in the Pacific will be mainly shouldered by the United States, Britain seeks to take advantage of the breathing spell afforded her by the shift of the war to the Pacific to build up her industries with the aid of American Lend-Lease materials to such a degree that they will be able to meet the trade competition of the United States in the post-war period. To get this assistance, the British are not letting scruples stand in their way. They are ready to give dubious promises to the United States to collaborate with her in seeking the elimination of "all forms of discrimination in international commerce" and not to reject "lightly" the Bretton Woods agreement if the United States will come around with the Lend-Lease supplies.

But it must be manifest to all that the British have no intention of carrying out such promises. They are not surely going to unfreeze the blocked sterling balances of the Latin American countries, India and the British Dominions and other neutral countries which have accumulated at London so that these countries may divert their purchasing power to the United States. Nor are they likely to give up their plan for the creation of the British currency bloc among the countries of Western Europe although this measure would violate the spirit of the Bretton Woods understanding.

That the British have to resort to such unscrupulous measures for the protection of their national interests is perhaps inevitable. The economic order advocated by the Anglo-American countries, unlike Japan's plan for the construction of a new world order based on economic reciprocity and fair play, does not permit all the nations of the world to enjoy equal, economic prosperity and well-being. The economic system which the Anglo-American Powers seek to restore in this world is the pre-war system of economic nationalism and imperialistic exploitation.

A Year Ago Today

October 8, 1943

In the course of operations for the occupation of Coo Island, in the Dodecanese Group, German forces captured 886 British soldiers including 442 officers and more than 3,000 Badoglio troopers.

* * *

One British cruiser which participated in the landing operation of anti-Axis forces in southern Italy hit a mine and was sunk off Taranto.

* * *

Donald Nelson, Director of the United States War Production Bureau, who is now touring the Middle East and Near East areas, inspected at Teheran the condition on the transportation of supplies sent to the Soviet Union via Iran, and also conferred with Soviet representatives.

* * *

As successor to Ambassador Felipe A. Espil, who was recalled from Washington by the Argentine Government yesterday, Dr. Adrian Escobar has been appointed Argentine Ambassador to the United States.

* * *

British Foreign Under-Secretary Richard Law is now in Washington negotiating with the United States Government on important financial and trade matters.

GERMANY'S FLYING BOMBS

Most effective Defense Is to Destroy Launching Bases

Editor's Note: This article on Germany's dynamite meteors appeared in the September 8th issue of The Times, London.

Part II

By the end of the period there was a very different story to tell. Some 70 per cent of the bombs launched were being brought down by the defenses and only 9 per cent were reaching London. The record bag was obtained on August 28. On that day out of 101 bombs which approached our coast, 97 were brought down by defenses, and only four got through to London.

This vast increase in the effectiveness of defenses was, of course, reflected immediately in casualty figures. At the beginning, there was on the average one death for every bomb launched. At the end three bombs had to be launched to kill one person. During five days of July a light-scale attack was made upon Portsmouth and Southampton. However, a great majority of the bombs fell in the sea or in open country. The weapon was clearly not accurate enough to be used against targets of this size. During the rest of the time, the attack was aimed at a unique target of London. About 92 per cent of all the fatal casualties occurred in the London region. Although many hundreds of bombs were shot down by the guns along the south coast, only 11 of these fell in the built-up areas. American batteries provided about one-eighth of the total number of heavy guns along the south coast. Some of their very latest equipment was used with our heavy guns.

The Defensive Bomber Command made its great raid on Peenemunde on August of last year, and the British and American air forces have been conducting a continuous battle against Hitler's secret weapons. Altogether they dropped on these targets over 100,000 tons of bombs. All this has, of course, not been done without loss. On these operations British and American air forces have together lost nearly 450 aircraft involving a loss of approximately 2,900 pilots and air crews.

Intelligence Work Necessary

Bombing cannot, of course, be separated from intelligence. In a battle against the flying bomb, intelligence services, our agents in enemy territories, air reconnaissance squadrons and photographic interpretation units played a particularly responsible part. Large stocks of flying bombs were stored in tunnels and caves not far from Paris. The existence of these storage depots was reported and the bombers went out to destroy them. Agents reported that the enemy was moving his stocks to other depots. Many of these were in their turn discovered and destroyed.

We know that not only engineers but actual flying bomb firing units were already on the French coast waiting to begin operations last January. Had the attack started then, winter conditions would have seriously affected the efficiency of our defenses. For days at a time flying bombs would have been grounded by bad weather. Most serious of all, the bombardment would have lasted very much longer.

All along we have known that there was only one completely effective way of putting a final stop to the flying bomb attacks; that is, by actually capturing the firing sites. This has been happening in the last few days. The destruction of the first 100 launching sites not only delayed the start of the attack but also forced the enemy to forsake concealment to construct his second series on simpler but less efficient lines.

Referring to the fact that the proportion of the bombs dropped in the southern districts of London, the Bomber Command said, "I think there was a tendency to fall short." Eventually there were 800 heavy and nearly 2,000 light guns and 20 American batteries under his command. "The hottest" 24 hours occurred when the gunners fired 24,000 heavy and 40,000 light rounds. The total of bombs brought down by his command was 1,560.

Air Marshal Sir Roderick Hill declared that the machines used were Tempest, Mustang and the latest Spitfire and that the balloons brought down were 279.

(End)

Fruits of Wisdom

Self-knowledge is best learned, not by contemplation, but action.—Strive to do your duty, and you will soon discover of what stuff you are made.—Goethe.

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When a secret is revealed, it is the fault of the man who has intrusted it.—Bruyere.

* * *

Inspect the neighborhood of thy life; every shelf, every nook of thine abode.—Richter.

* * *

Slavery is a system of outrage and robbery.—Socrates.

The Present War Situation

Great Diplomatic Difficulties Faced by U.S.—War Aims Found to Be Hollow and Insincere

By ADMIRAL KICHISABURO NOMURA

Editor's Note: The following article written by Admiral Nomura, former Ambassador to the United States and at present member of the Privy Council, appeared recently in the Yomiuri-Hochi.

Japan's war aims are unequivocally brought out in the Imperial Rescript promulgated at the time of the declaration of war upon the United States and Britain; the war aims of the United States, on the other hand, are ostensibly contained in the Atlantic Charter. With the progress of the war, however, these American war aims have revealed themselves to be an inordinate imperialistic ambition. In fact, the proposals made by some of the American senators and newspapers that the strategic bases in both the Atlantic and the Pacific should be acquired by the United States clearly indicate the startling changes that have come in her avowed war aims.

It has been the traditional policy of the United States to consolidate her position on the American continent and, with the opening of the European war, she sought to defend herself against Germany with the aid of Britain. All this time President Roosevelt also paid the closest attention to Soviet problems. He extended recognition to the Soviet Union shortly after his election in 1932 and endeavored to enlist the cooperation of that country against Germany. With respect to Japan, Roosevelt attempted to render valueless the effectiveness of the Tripartite Alliance and assisted Chiang Kai-shek in order to utilize him against Japan in the event of war. These were the basic and underlying policies of the United States at the time of the outbreak of the Greater East Asia War.

Difference of Views

As to American military strategy, there seems to be a difference of views between the United States army and navy forces. For instance, General Douglas MacArthur has been contending that the United States must wage a decisive war with the main body of the Japanese Army. The United States navy, on the other hand, following the traditional British view, stresses the importance of blockade as a sure means of winning victory and argues that the outcome of the war may be decided without land engagements. But judging broadly from the enemy's military strength and other factors, it is impossible to predict when such a decisive battle on the Chinese mainland will take place. But it is likely that in the near future the strategy of the United States will be to enforce a large-scale blockade against the Japanese mainland on sea, to expand her air forces on the Chinese mainland and to carry out air raids on the heart of Japan's industrial centers. The enemy's operations against the Philippines seem to be a part of this general strategy.

Thus is the war now entering upon the stage of the main struggle. We must therefore be ready to prosecute the war to the end that we may achieve our victory. We must be patient. Recall, for instance, the case of our attacks on Port Arthur during the Russo-Japanese War. General Nogi's troops had to launch three general offensives before the Russian army threw up its hands in defeat, for it was only after the third thrust that the 203-meter Hill was taken. Our troops had thus to overcome these three stages, before this strategic point was captured. So too it is my belief that the Japanese Combined Fleet is awaiting the psychological moment to deal the final crushing blow to the enemy and that it is storing up its full power for this coup de grace. Let there be therefore cool-headedness, composure and full reliance in the Government, for I am convinced that every officer and man in the Japanese Combined Fleet from its commander-in-chief down to the simple sailor has transcended all considerations of life in his desire to execute his respective tasks. All of these men are directing their entire mental and physical energies toward the fulfilment of their duties with incredible patience and forbearance. For them death is only of secondary importance—the matter of supreme importance to them being their work. When the proper hour comes, a decisive battle will be fought. We look forward to a victory which will surely come from the most effective utilization of the element of time and strategic advantage.

Enemy's Views of Japan

Now, in this connection, what does the enemy think of Japan? President Roosevelt who is by nature an optimist has been making very optimistic broadcasts. His optimistic speeches seem also to be matched by the bland optimism of the American people themselves. However, as far as I know, the naval authorities of the United States seem to be warning the American people against an under-estimation of their enemy's strength, advising them to be ever on the alert against the enemy's action. Secretary of State Cordell Hull has also often sounded similar warnings to the American people. He has been telling them that the Japanese are a brave race of people; that the Japanese Navy is a formidable armada; that, for this reason, the American people would be mistaken if they were to think that they could dispose of Japan readily even after the termination of the European war; and that the United States should direct her whole energy toward the prosecution of the war against Japan.

Such are the opinions of the highest war leaders of the United States regarding the Pacific war. The war, to be sure, which is now in its third year, has brought in its wake certain hardships but this condition is also true in the enemy countries. Generals of ancient days have spoken of a 7 to 3 balance. By this they meant that when one magnifies one's own weaknesses to 7 and reduces his chance of victory thus to 3, the chances of winning victory are equal. To turn the scale of victory in one's favor, the all-important factor is endurance, they argued. For this reason, it has been said that victory will be decided in the last few minutes of the war.

Weaknesses of United States

But let us also consider the weaknesses of the enemy. The opinions expressed by the Republicans and Democrats in the present presidential election campaign seem to me to reflect the prevailing thought of the American people. To give an example or two. In attacking the Roosevelt Administration, Republican leaders have been warning the American people that the present economic controls will be continued if the Democrats should continue to remain in office whereas they would be discontinued if the Republicans get into power. This charge has, however, been flatly denied by the Roosevelt Administration. The Americans extremely dislike economic controls; they abhor the restrictions placed on their consumption of gasoline and meat. The present Administration, as a result, has been forced to court the goodwill of the American voters in the face of these attacks by the opposition party. Such attacks on the Roosevelt Administration may be expected to be intensified as the war continues.

For another thing, the Republicans have been darkly warning the American people that even after the end of the European war, there will be no partial demobilization of the military forces in order to prevent unemployment. This charge has, of course, been refuted by the present Administration. It has stated that as soon as the war in Europe is over, 1,000,000 to 2,000,000 men in the American forces will be disbanded, priority being given to those with the longest period of service in the armed forces. This announcement was naturally intended to please the American voters. On the other hand, the American naval authorities have not only expressed their opposition to the disbandment of the personnel in the naval forces but have also openly announced their intention to expand the navy. All these conflicting views are evidence of the dislike of the Americans for a prolonged war. It is because of this fact that President Roosevelt has permitted a partial switch-over by some of the munitions industries to peace-time production despite the opposition of the American army and navy. The dispatch of the chief of the War Production Board to Chungking and the resignation of the vice-chief of this Board seem to betray this state of affairs.

Roosevelt's Reckless Spending Hit

Furthermore, the opposition group has been pointing out that Roosevelt is a spendthrift and that he has been recklessly spending America's national income. These opponents point out that during the 11 years of his administration, Roosevelt has squandered something like $360,000,000,000. (Although there has been no accurate estimate of the national wealth of the United States, it has been roughly put at $400,000,000,000.) Some of these opponents have shown that Roosevelt has so far spent three times the total national expenditures of the United States since the establishment of the American Government. At present America's daily national expenditures are estimated to be about $288,000,000 or 12 times Japan's national disbursements. It would appear that these reckless expenditures must inevitably entail internal confusion as the war progresses.

In the diplomatic field, the United States is also experiencing great difficulties. It is an undeniable fact that the Americans entertain a suspicious attitude toward the intentions of the Soviet Union. This is particularly true in regard to the Soviet advance into such countries as Finland, the Baltic countries, Poland and the Balkans. The appeal of the American citizens of European extraction during the present war to Roosevelt, asking him to extend assistance to their mother countries, is a case in point. A conspicuous example of such an attitude of distrust toward the Soviet Union is indicated by the recent telegraphic report of the former American Ambassador to Moscow, William Bullitt, from Rome in his capacity as a newspaper man to the effect that if the present situation continues entire Europe will be Sovietized and that a third world war will break out between the Soviet Union and the nations of western Europe within the next 15 years.

To be sure, the Roosevelt Administration has been giving extensive assistance to the Soviet Union. According to a recent report of the Lend-Lease deliveries, the United States sent to Britain $9,300,000,000 worth of munitions and other war materials and $5,900,000,000 worth of war materials to the Soviet Union up to June of this year. She also has sent munitions to the amount of $1,400,000,000 to Chungking and India. Yet it is undeniable that there are many citizens in the United States who entertain misgivings with each report on the progress of the European war. Although they admit the necessity of sacrificing small differences for the sake of bigger issues in their execution of their general policy for defeating Germany, such European issues truly present a thorn in the side of the American Government. Moreover, although the United States Pan-American policy seems on the surface to be successful, Argentina today is not on speaking terms with the United States and there are many nations in Latin America which are sympathetically disposed toward the Argentine. Britain is also finding herself in a quandary because of the United States' steady advance into India. Nor is there any harmony among Britain, the United States and the Soviet Union regarding the problem of oil in Western Asia and the strategic problems in the Mediterranean Sea. Although superficially their relations may seem harmonious, the relations of the three major anti-Axis Powers are in reality up against a crisis.

Roosevelt's Difficulties

We have already noted the growing imperialistic policy of the United States' policies with the progress of the war. This inevitably gives rise to mutual suspicions between the United States and her allies, manifestations of which already have been revealed in many quarters. The racial complexity of the American nation has also given rise to a grave difficulty in this connection. For instance, American citizens of Polish ancestry are dissatisfied with Roosevelt's policy of giving in to the Soviet Union in utter disregard of the welfare of Poland. This is why the head of the exiled Polish regime at London recently went to Washington to make an appeal to Roosevelt. Much denunciation has also been heard regarding the terms of truce imposed on Finland by the Soviet Union and those who are in sympathy with the Finns have pointedly asked if the Atlantic Charter which professes to guard the interests of the smaller nations actually exists. The American citizens of Scandinavian extraction are also sympathetically disposed toward the Finns. It is thus possible that such states as Minnesota and the Dakotas where the descendants of Baltic and Scandinavian immigrants live in large numbers may prove hostile toward Roosevelt in the coming election. Thus, diplomatic issues are liable to become a domestic problem in the United States because of the heterogeneity of her races so that Roosevelt cannot be too single-handed in dealing with diplomatic issues if he wishes to maintain his political position.

Let us see now what the attitude of Roosevelt is toward the German race. It is clear that he dislikes to see the Germans become powerful. Roosevelt has been saying that since the Germans are a great race, Germany should be re-admitted into the European political structure once the present government has been liquidated. At any rate, Roosevelt is experiencing much difficulty with respect to the German-American voters in the present election campaign. Regarding the United States policy toward China, she has been showing sympathy for Chiang Kai-shek and has been utilizing the Chungking regime for the advancement of her own ends since the outbreak of the War of Greater East Asia. The United States has sent several high officials to Chungking recently, including Vice-President Henry A. Wallace, Donald Nelson, and Major-General Patrick Hurley. The United States has thus been manifesting her intention to turn China into an American colony. The same may also be said regarding the United States policy toward India.

Roosevelt has been in political power for many years as the supreme head of the American Government and as the leader of the American armed forces. His hands have also directed the diplomatic policies of the United States. Perhaps he is a suitable leader in time of war like the present but there is the danger that he may become more ambitious with the passage of time. Napoleon was safe when together with the Russian Emperor he tried to dominate Europe but as soon as he began to try to assert his own independent dictatorial power himself by crushing Russia he set the forces in motion that were to become his Nemesis.

Whither the British Empire?

Political and Economic Development of Dominions Serves as Impetus Towards Decentralization

By SABURO OHTA
(From Contemporary Japan)

Part II

The dwindling of Britain's investments in the empire countries is most marked in India. The total British investments in Indian securities at the commencement of the European war, it is said, stood at the £2,000,000,000 level. The bulk of the investments was in the form of national bonds, especially railway bonds. These bonds, however, have been mostly redeemed by the Indian fund accumulated in London. The March 6, 1943 issue of the Economist reported that the outstanding bonds at the time amounted to not more than £12,500,000; whereas the credit balance of India against Great Britain was increasing by astounding figures. India concluded a financial agreement with Great Britain in November, 1939, whereby she was not to bear the war cost except for her land defense. On the other hand, she is contributing potentially to the Empire war effort by serving as the supply base in the East, for which British payments to India reach a huge sum. They are met almost exclusively by the increase of India's fund in London and not by the delivery of goods. Consequently, the Indian fund in Great Britain amounted to £700,000,000 in January, 1944, which will climb, according to the British financial authorities, to the £1,000,000,000 level by the end of the year. Little wonder that the Indian delegation at the recent International Monetary Fund Conference strenuously insisted upon the conversion of this blocked account in Britain. Incidentally it may be pointed out that this increase of the Indian fund in London has inflated the Indian currency.

Another factor that is weakening British finance is the newly accumulated stupendous foreign debts. According to Lord Keynes and Sir John Anderson, Britain's foreign loans will run up as high as £3,000,000,000 by the end of 1944. The Manchester Guardian commented on the situation in these words: "That figure seemed so appalling that it was simply unthinkable." It is recalled that British loans in America in World War I totaled $4,600,000,000, equivalent to approximately £1,000,000,000. And now it is estimated that loans by the end of this year will mount three times that figure. Such being the case, the editor of the Manchester Guardian is not the only person to regard the situation as appalling and unthinkable.

Most Important Bond

The financial control of the empire countries by Great Britain was the most important bond among them in the past. When the present writer was living in Australia some years ago, there came a time when the conversion of war loans had to be undertaken. He witnessed how strong a voice London had in Australian politics on account of her financial grip on the country.

The structure of the British Empire, complex as it is, has come to be organized through a long process of development. An epoch-making event in the process was the North American Act of 1867. Since then, the status of self-governing colonies has gradually made advances, and after the Imperial Conferences of 1926 and 1930 the Dominions have come to obtain a status legally equal to Great Britain herself. The status of India, too, since the Crown took over the administration of India from the East India Company in 1858, has undergone changes. After the Morley-Minto reform, India witnessed the Montague-Chelmsford system, which was followed by the present Government of India act of 1935. However, while the provisions of the act respecting provinces have been put in force, those relating to the Federation of India remain ineffective. Not very long ago, what is called the Cripps proposal for Indian self-government was submitted to various Indian sections by the British Government; but it was rejected by them.

It may be said that the lack of any rigid system has enabled the British Empire to continue in its happy state. What is essential on this score is the idea underlying organization or system; without this foundation a political behavior degenerates into opportunism or improvization. Certainly the underlying idea of the British Empire has been centralization. It is true that the Dominions have acquired the status of equality with Great Britain herself; but it does not mean equality in function, as has been pointed out in the Balfour Report. On the other hand, the political awakening and economic development of the Dominions and of India are driving them to march in the direction of decentralization.

Respective Differences

Great Britain and her Dominions have their respective characteristics arising out of their geographical positions, historical traditions, racial peculiarites and the standard of economic development. Mackenzie King, Canadian Prime Minister, once said: "Each of them (Dominions) has a distinct geographical position, with all the consequences in difference of neighbors, difference in the nature of international problems each has to face, differences of emphasis and preoccupation that follow. Each has its special economic structure, its special racial backgrounds, its special constitutional problems. Those differences must receive full consideration in any responsible and realistic expression of their policies." His statement well applies to the present state of things in the British Empire. Of the Dominions, Australia and New Zealand are the two countries which have become firm believers in centralization, probably because they are bearing the direct brunt of the hostilities, and also because they are not experiencing a shrinkage in British investments. At the Dominion Prime Ministers' Conference held in May last, Prime Minister Curtin of Australia is reported to have urged the incorporation of the centralization principle in the empire system. Since, however, Canada and South Africa (particularly the latter) have all along been disinclined to subscribe to such a view, it is certain that Prime Minister Curtin's proposal has not been taken into account.

To bring about the reorganization of the whole British Empire, including colonies as well, in the direction of decentralization is the stand taken by Prime Minister Smuts. According to him, in the British Commonwealth and the Empire two distinct and different systems go side by side, that is to say, "decentralization" and "centralization," the Commonwealth representing the former and the Empire the latter. As to the colonial Empire, he points out that it is divided into too many units which are merely accidental or historical products. These units, he adds, must be regrouped under a single Governor-General who should be given more power than at present enjoyed by a colonial Governor. And he cites as examples West African and East African colonies, as well as East African protectorates. He also thinks it desirable that newly created units—groups of present colonies—should have some relations with the neighboring Dominions, thus seeking fresh links between the Empire and the Commonwealth.

This trend of thought, the situation in India, the question of centralization and, above all, the fast developing economic factors tell their own story. Britain, in spite of her involvement in the Napoleonic Wars, when she was hardly able to recover herself from the consequence of American independence, somehow managed to maintain her empire system. It was only after the Industrial Revolution and the rise of a new bourgeois class that the British Empire launched on its prosperous career. Today, however, the conditions within the Empire and outside it have changed so noticeably that the decline of the British Empire, as a historical evolution, appears to be inevitable.

(End)

SONGS FROM PRISON

By MAHATMA GANDHI

Incarnate God,
Warrior for the weak against the strong,
Behold, the hosts of evil have encompassed me:

Protector,
Saviour-God,
Stretch out thine hand to rescue me,
Ere these wild ocean-waves of pain and evil
Have utterly engulfed me:

Incarnate God,
Soul of the Universe,
Protector, Saviour, Friend,
Here am I whelmed hopeless by the might of wrong:

I cry to thee,
Come thou,
And save.

* * *

Naught crave I for myself,
Neither power nor wealth,
Nor paradise beyond,
No, not even freedom from the weary round of being:

This only do I pray,
Release from misery
For all that suffers.

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SHOICHI KAWAMURA

TOKYO, SUNDAY, OCTOBER 8, 1944

Sir John Anderson's Speech

Sir John Anderson, British Chancellor of the Exchequer, declared in his speech at the Lord Mayor's luncheon at the Mansion House last Wednesday that Britain will not return to the gold standard, according to a London dispatch a couple of days ago. The Chancellor of the Exchequer bluntly warned that Britain will not be bound by the final draft of the International Monetary Fund which was approved by all the participating nations at the Bretton Woods Conference, although he significantly added that if the United States and other financially important countries accepted it "we must not reject it lightly."

This speech by the British Chancellor of the Exchequer in which he obstreperously hammered on the theme of Britain's weakened economic condition would seem to indicate that the speech was not meant for the ears of the British public but for the American audience across the Atlantic. His address appears to be nothing more than a noisy demonstration to attract the sympathy of the United States to the critical plight of Britain. It is a desperate appeal to the American Colossus that it must continue to send Britain American Lend-Lease products or else Britain will be forced to remain off the gold standard and even to scrap the Bretton Woods agreement.

There does not seem to be much doubt that Sir John Anderson had his eyes on the American Lend-Lease assistance when he delivered his address at the Mansion House. The British have for some time been worried that the American Government may suspend the Lend-Lease deliveries when the center of the war shifts to the Pacific front. The News Chronicle, a British journal, admitted recently that the fear of the possible termination of the American Lend-Lease aid was causing "nightmares" to the British official circles. British industrialists, moreover, had been thrown into a fit of desperation when they heard from the American National Association of Manufacturers that the American government circles doubted whether Congress would understand the British need for further Lend-Lease products. In fact, Sir Anderson himself let the cat out of the bag, no doubt purposely, when he declared that "our external debts fill me with dismay, although I would not like to contemplate what they might have been but for that financial miracle of Lend-Lease." It would thus appear that Sir John Anderson's speech, containing meaningful threats, was a sly intimation to the American people that if they would oblige Britain by continuing to send Lend-Lease materials, Britain may abide by the Bretton Woods' currency stabilization scheme.

That the British should clamor for the continuation of the American Lend-Lease agreement which expires in June of next year and which could be terminated any time by Congress is obvious. Britain's external debt is now estimated to be about £3,000,000,000. Her overseas investments which amounted to £5,000,000,000 just before the year 1939 has now shrunk to less than £1,000,000,000. In 1939, just before the outbreak of the current European war, British income from her foreign investments amounted to £200,000,000 but by the end of the present war, her interest from this source may not be more than £50,000,000. Her battered merchant marine, the grim prospect of a great decrease in her invisible trade, the heavy destruction of her industries by the German Luftwaffe and V-1's have, indeed, blackened the economic horizon of Britain. The work of rehabilitating her factories, shipbuilding yards and other branches of economic activity thus becomes an imperative necessity if Britain is to expand her exports which, in the post-war period, will be her only real source of income. To do this, Britain apparently feels that she must obtain American Lend-Lease products. The suspension of this assistance, Britain realizes, will mean that she will have to pay cash for her imports from the United States. But her coffers are empty. In view of her present economic position, she does not feel, therefore, that she could pay for them without inviting a serious economic crisis as, even in the few years before the enactment of the American Lend-Lease Act, her payments to the United States for munitions and other war materials had amounted to $7,000,000,000 in cold cash!

Such are the obvious reasons for Britain's insistent plea to the United States for the extension of American Lend-Lease aid regardless of the war condition in Europe. But behind that plea also lurks a sinister purpose. Knowing that the burden of the war in the Pacific will be mainly shouldered by the United States, Britain seeks to take advantage of the breathing spell afforded her by the shift of the war to the Pacific to build up her industries with the aid of American Lend-Lease materials to such a degree that they will be able to meet the trade competition of the United States in the post-war period. To get this assistance, the British are not letting scruples stand in their way. They are ready to give dubious promises to the United States to collaborate with her in seeking the elimination of "all forms of discrimination in international commerce" and not to reject "lightly" the Bretton Woods agreement if the United States will come around with the Lend-Lease supplies.

But it must be manifest to all that the British have no intention of carrying out such promises. They are not surely going to unfreeze the blocked sterling balances of the Latin American countries, India and the British Dominions and other neutral countries which have accumulated at London so that these countries may divert their purchasing power to the United States. Nor are they likely to give up their plan for the creation of the British currency bloc among the countries of Western Europe although this measure would violate the spirit of the Bretton Woods understanding.

That the British have to resort to such unscrupulous measures for the protection of their national interests is perhaps inevitable. The economic order advocated by the Anglo-American countries, unlike Japan's plan for the construction of a new world order based on economic reciprocity and fair play, does not permit all the nations of the world to enjoy equal economic prosperity and well-being. The economic system which the Anglo-American Powers seek to restore in this world is the pre-war system of economic nationalism and imperialistic exploitation.

A Year Ago Today
October 8, 1943

In the course of operations for the occupation of Coo Island, in the Dodecanese Group, German forces captured 886 British soldiers including 442 officers and more than 3,000 Badoglio troopers.

* * *

One British cruiser which participated in the landing operation of anti-Axis forces in southern Italy hit a mine and was sunk off Taranto.

* * *

Donald Nelson, Director of the United States War Production Bureau, who is now touring the Middle East and Near East areas, inspected at Teheran the condition on the transportation of supplies sent to the Soviet Union via Iran, and also conferred with Soviet representatives.

* * *

As successor to Ambassador Felipe A. Espil, who was recalled from Washington by the Argentine Government yesterday, Dr. Adrian Escobar has been appointed Argentine Ambassador to the United States.

* * *

British Foreign Under-Secretary Richard Law is now in Washington negotiating with the United States Government on important financial and trade matters.

GERMANY'S FLYING BOMBS

Most Effective Defense Is to Destroy Launching Bases

Editor's Note: This article on Germany's dynamite meteors appeared in the September 8th issue of The Times, London.

Part II

By the end of the period there was a very different story to tell. Some 70 per cent of the bombs launched were being brought down by the defenses and only 9 per cent were reaching London. The record bag was obtained on August 28. On that day out of 101 bombs which approached our coast, 97 were brought down by defenses, and only four got through to London.

This vast increase in the effectiveness of defenses was, of course, reflected immediately in casualty figures. At the beginning, there was on the average one death for every bomb launched. At the end three bombs had to be launched to kill one person. During five days of July a light-scale attack was made upon Portsmouth and Southampton. However, a great majority of the bombs fell in the sea or in open country. The weapon was clearly not accurate enough to be used against targets of this size. During the rest of the time, the attack was aimed at a unique target of London. About 92 per cent of all the fatal casualties occurred in the London region. Although many hundreds of bombs were shot down by the guns along the south coast, only 11 of these fell in the built-up areas. American batteries provided about one-eighth of the total number of heavy guns along the south coast. Some of their very latest equipment was used with our heavy guns.

The Defensive Bomber Command made its great raid on Peenemunde on August of last year, and the British and American air forces have been conducting a continuous battle against Hitler's secret weapons. Altogether they dropped on these targets over 100,000 tons of bombs. All this has, of course, not been done without loss. On these operations British and American air forces have together lost nearly 450 aircraft involving a loss of approximately 2,900 pilots and air crews.

Intelligence Work Necessary

Bombing cannot, of course, be separated from intelligence. In a battle against the flying bomb, intelligence services, our agents in enemy territories, air reconnaissance squadrons and photographic interpretation units played a particularly responsible part. Large stocks of flying bombs were stored in tunnels and caves not far from Paris. The existence of these storage depots was reported and the bombers went out to destroy them. Agents reported that the enemy was moving his stocks to other depots. Many of these were in their turn discovered and destroyed.

We know that not only engineers but actual flying bomb firing units were already on the French coast waiting to begin operations last January. Had the attack started then, winter conditions would have seriously affected the efficiency of our defenses. For days at a time flying bombs would have been grounded by bad weather. Most serious of all, the bombardment would have lasted very much longer.

All along we have known that there was only one completely effective way of putting a final stop to the flying bomb attacks; that is, by actually capturing the firing sites. This has been happening in the last few days. The destruction of the first 100 launching sites not only delayed the start of the attack but also forced the enemy to forsake concealment to construct his second series on simpler but less efficient lines.

Referring to the fact that the proportion of the bombs dropped in the southern districts of London, the Bomber Command said, "I think there was a tendency to fall short." Eventually there were 800 heavy and nearly 2,000 light guns and 20 American batteries under his command. "The hottest" 24 hours occurred when the gunners fired 24,000 heavy and 40,000 light rounds. The total of bombs brought down by his command was 1,560.

Air Marshal Sir Roderick Hill declared that the machines used were Tempest, Mustang and the latest Spitfire and that the balloons brought down were 279.

(End)

Fruits of Wisdom

Self-knowledge is best learned, not by contemplation, but action.—Strive to do your duty, and you will soon discover of what stuff you are made.—Goethe.

* * *

When a secret is revealed, it is the fault of the man who has intrusted it.—Bruyere.

* * *

Inspect the neighborhood of thy life; every shelf, every nook of thine abode.—Richter.

* * *

Slavery is a system of outrage and robbery.—Socrates.

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Great Diplomatic Difficulties Faced by U.S.—War Aims Found to Be Hollow and Insincere

By ADMIRAL KICHISABURO NOMURA

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It has been the traditional policy of the United States to consolidate her position on the American continent and, with the opening of the European war, she sought to defend herself against Germany with the aid of Britain. All this time President Roosevelt also paid the closest attention to Soviet problems. He extended recognition to the Soviet Union shortly after his election in 1932 and endeavored to enlist the cooperation of that country against Germany. With respect to Japan, Roosevelt attempted to render valueless the effectiveness of the Tripartite Alliance and assisted Chiang Kai-shek in order to utilize him against Japan in the event of war. These were the basic and underlying policies of the United States at the time of the outbreak of the Greater East Asia War.

Difference of Views

As to American military strategy, there seems to be a difference of views between the United States army and navy forces. For instance, General Douglas MacArthur has been contending that the United States must wage a decisive war with the main body of the Japanese Army. The United States navy, on the other hand, following the traditional British view, stresses the importance of blockade as a sure means of winning victory and argues that the outcome of the war may be decided without land engagements. But judging broadly from the enemy's military strength and other factors, it is impossible to predict when such a decisive battle on the Chinese mainland will take place. But it is likely that in the near future the strategy of the United States will be to enforce a large-scale blockade against the Japanese mainland on sea, to expand her air forces on the Chinese mainland and to carry out air raids on the heart of Japan's industrial centers. The enemy's operations against the Philippines seem to be a part of this general strategy.

Thus is the war now entering upon the stage of the main struggle. We must therefore be ready to prosecute the war to the end that we may achieve our victory. We must be patient. Recall, for instance, the case of our attacks on Port Arthur during the Russo-Japanese War. General Nogi's troops had to launch three general offensives before the Russian army threw up its hands in defeat, for it was only after the third thrust that the 203-meter Hill was taken. Our troops had thus to overcome these three stages, before this strategic point was captured. So too it is my belief that the Japanese Combined Fleet is awaiting the psychological moment to deal the final crushing blow to the enemy and that it is storing up its full power for this coup de grace. Let there be therefore cool-headedness, composure and full reliance in the Government, for I am convinced that every officer and man in the Japanese Combined Fleet from its commander-in-chief down to the simple sailor has transcended all considerations of life in his desire to execute his respective tasks. All of these men are directing their entire mental and physical energies toward the fulfilment of their duties with incredible patience and forbearance. For them death is only of secondary importance—the matter of supreme importance to them being their work. When the proper hour comes, a decisive battle will be fought. We look forward to a victory which will surely come from the most effective utilization of the element of time and strategic advantage.

Enemy's Views of Japan

Now, in this connection, what does the enemy think of Japan? President Roosevelt who is by nature an optimist has been making very optimistic broadcasts. His optimistic speeches seem also to be matched by the bland optimism of the American people themselves. However, as far as I know, the naval authorities of the United States seem to be warning the American people against an under-estimation of their enemy's strength, advising them to be ever on the alert against the enemy's action. Secretary of State Cordell Hull has also often sounded similar warnings to the American people. He has been telling them that the Japanese are a brave race of people; that the Japanese Navy is a formidable armada; that, for this reason, the American people would be mistaken if they were to think that they could dispose of Japan readily even after the termination of the European war; and that the United States should direct her whole energy toward the prosecution of the war against Japan.

Such are the opinions of the highest war leaders of the United States regarding the Pacific war. The war, to be sure, which is now in its third year, has brought in its wake certain hardships but this condition is also true in the enemy countries. Generals of ancient days have spoken of a 7 to 3 balance. By this they meant that when one magnifies one's own weaknesses to 7 and reduces his chance of victory thus to 3, the chances of winning victory are equal. To turn the scale of victory in one's favor, the all-important factor is endurance, they argued. For this reason, it has been said that victory will be decided in the last few minutes of the war.

Weaknesses of United States

But let us also consider the weaknesses of the enemy. The opinions expressed by the Republicans and Democrats in the present presidential election campaign seem to me to reflect the prevailing thought of the American people. To give an example or two. In attacking the Roosevelt Administration, Republican leaders have been warning the American people that the present economic controls will be continued if the Democrats should continue to remain in office whereas they would be discontinued if the Republicans get into power. This charge has, however, been flatly denied by the Roosevelt Administration. The Americans extremely dislike economic controls; they abhor the restrictions placed on their consumption of gasoline and meat. The present Administration, as a result, has been forced to court the goodwill of the American voters in the face of these attacks by the opposition party. Such attacks on the Roosevelt Administration may be expected to be intensified as the war continues.

For another thing, the Republicans have been darkly warning the American people that even after the end of the European war, there will be no partial demobilization of the military forces in order to prevent unemployment. This charge has, of course, been refuted by the present Administration. It has stated that as soon as the war in Europe is over, 1,000,000 to 2,000,000 men in the American forces will be disbanded, priority being given to those with the longest period of service in the armed forces. This announcement was naturally intended to please the American voters. On the other hand, the American naval authorities have not only expressed their opposition to the disbandment of the personnel in the naval forces but have also openly announced their intention to expand the navy. All these conflicting views are evidence of the dislike of the Americans for a prolonged war. It is because of this fact that President Roosevelt has permitted a partial switch-over by some of the munitions industries to peace-time production despite the opposition of the American army and navy. The dispatch of the chief of the War Production Board to Chungking and the resignation of the vice-chief of this Board seem to betray this state of affairs.

Roosevelt's Reckless Spending Hit

Furthermore, the opposition group has been pointing out that Roosevelt is a spendthrift and that he has been recklessly spending America's national income. These opponents point out that during the 11 years of his administration, Roosevelt has squandered something like $360,000,000,000. (Although there has been no accurate estimate of the national wealth of the United States, it has been roughly put at $400,000,000,000.) Some of these opponents have shown that Roosevelt has so far spent three times the total national expenditures of the United States since the establishment of the American Government. At present America's daily national expenditures are estimated to be about $288,000,000 or 12 times Japan's national disbursements. It would appear that these reckless expenditures must inevitably entail internal confusion as the war progresses.

In the diplomatic field, the United States is also experiencing great difficulties. It is an undeniable fact that the Americans entertain a suspicious attitude toward the intentions of the Soviet Union. This is particularly true in regard to the Soviet advance into such countries as Finland, the Baltic countries, Poland and the Balkans. The appeal of the American citizens of European extraction during the present war to Roosevelt, asking him to extend assistance to their mother countries, is a case in point. A conspicuous example of such an attitude of distrust toward the Soviet Union is indicated by the recent telegraphic report of the former American Ambassador to Moscow, William Bullitt, from Rome in his capacity as a newspaper man to the effect that if the present situation continues entire Europe will be Sovietized and that a third world war will break out between the Soviet Union and the nations of western Europe within the next 15 years.

To be sure, the Roosevelt Administration has been giving extensive assistance to the Soviet Union. According to a recent report of the Lend-Lease deliveries, the United States sent to Britain $9,300,000,000 worth of munitions and other war materials and $5,900,000,000 worth of war materials to the Soviet Union up to June of this year. She also has sent munitions to the amount of $1,400,000,000 to Chungking and India. Yet it is undeniable that there are many citizens in the United States who entertain misgivings with each report on the progress of the European war. Although they admit the necessity of sacrificing small differences for the sake of bigger issues in their execution of their general policy for defeating Germany, such European issues truly present a thorn in the side of the American Government. Moreover, although the United States Pan-American policy seems on the surface to be successful, Argentina today is not on speaking terms with the United States and there are many nations in Latin America which are sympathetically disposed toward the Argentine. Britain is also finding herself in a quandary because of the United States' steady advance into India. Nor is there any harmony among Britain, the United States and the Soviet Union regarding the problem of oil in Western Asia and the strategic problems in the Mediterranean Sea. Although superficially their relations may seem harmonious, the relations of the three major anti-Axis Powers are in reality up against a crisis.

Roosevelt's Difficulties

We have already noted the growing imperialistic policy of the United States' policies with the progress of the war. This inevitably gives rise to mutual suspicions between the United States and her allies, manifestations of which already have been revealed in many quarters. The racial complexity of the American nation has also given rise to a grave difficulty in this connection. For instance, American citizens of Polish ancestry are dissatisfied with Roosevelt's policy of giving in to the Soviet Union in utter disregard of the welfare of Poland. This is why the head of the exiled Polish regime at London recently went to Washington to make an appeal to Roosevelt. Much denunciation has also been heard regarding the terms of truce imposed on Finland by the Soviet Union and those who are in sympathy with the Finns have pointedly asked if the Atlantic Charter which professes to guard the interests of the smaller nations actually exists. The American citizens of Scandinavian extraction are also sympathetically disposed toward the Finns. It is thus possible that such states as Minnesota and the Dakotas where the descendants of Baltic and Scandinavian immigrants live in large numbers may prove hostile toward Roosevelt in the coming election. Thus, diplomatic issues are liable to become a domestic problem in the United States because of the heterogeneity of her races so that Roosevelt cannot be too single-handed in dealing with diplomatic issues if he wishes to maintain his political position.

Let us see now what the attitude of Roosevelt is toward the German race. It is clear that he dislikes to see the Germans become powerful. Roosevelt has been saying that since the Germans are a great race, Germany should be re-admitted into the European political structure once the present government has been liquidated. At any rate, Roosevelt is experiencing much difficulty with respect to the German-American voters in the present election campaign. Regarding the United States policy toward China, she has been showing sympathy for Chiang Kai-shek and has been utilizing the Chungking regime for the advancement of her own ends since the outbreak of the War of Greater East Asia. The United States has sent several high officials to Chungking recently, including Vice-President Henry A. Wallace, Donald Nelson, and Major-General Patrick Hurley. The United States has thus been manifesting her intention to turn China into an American colony. The same may also be said regarding the United States policy toward India.

Roosevelt has been in political power for many years as the supreme head of the American Government and as the leader of the American armed forces. His hands have also directed the diplomatic policies of the United States. Perhaps he is a suitable leader in time of war like the present but there is the danger that he may become more ambitious with the passage of time. Napoleon was safe when together with the Russian Emperor he tried to dominate Europe but as soon as he began to try to assert his own independent dictatorial power himself by crushing Russia he set the forces in motion that were to become his Nemesis.

Whither the British Empire?

Political and Economic Development of Dominions Serves as Impetus Towards Decentralization

By SABURO OHTA
(From Contemporary Japan)

Part II

The dwindling of Britain's investments in the empire countries is most marked in India. The total British investments in Indian securities at the commencement of the European war, it is said, stood at the £2,000,000,000 level. The bulk of the investments was in the form of national bonds, especially railway bonds. These bonds, however, have been mostly redeemed by the Indian fund accumulated in London. The March 6, 1943 issue of the Economist reported that the outstanding bonds at the time amounted to not more than £12,500,000; whereas the credit balance of India against Great Britain was increasing by astounding figures. India concluded a financial agreement with Great Britain in November, 1939, whereby she was not to bear the war cost except for her land defense. On the other hand, she is contributing potentially to the Empire war effort by serving as the supply base in the East, for which British payments to India reach a huge sum. They are met almost exclusively by the increase of India's fund in London and not by the delivery of goods. Consequently, the Indian fund in Great Britain amounted to £700,000,000 in January, 1944, which will climb, according to the British financial authorities, to the £1,000,000,000 level by the end of the year. Little wonder that the Indian delegation at the recent International Monetary Fund Conference strenuously insisted upon the conversion of this blocked account in Britain. Incidentally it may be pointed out that this increase of the Indian fund in London has inflated the Indian currency.

Another factor that is weakening British finance is the newly accumulated stupendous foreign debts. According to Lord Keynes and Sir John Anderson, Britain's foreign loans will run up as high as £3,000,000,000 by the end of 1944. The Manchester Guardian commented on the situation in these words: "That figure seemed so appalling that it was simply unthinkable." It is recalled that British loans in America in World War I totaled $4,600,000,000, equivalent to approximately £1,000,000,000. And now it is estimated that loans by the end of this year will mount three times that figure. Such being the case, the editor of the Manchester Guardian is not the only person to regard the situation as appalling and unthinkable.

Most Important Bond

The financial control of the empire countries by Great Britain was the most important bond among them in the past. When the present writer was living in Australia some years ago, there came a time when the conversion of war loans had to be undertaken. He witnessed how strong a voice London had in Australian politics on account of her financial grip on the country.

The structure of the British Empire, complex as it is, has come to be organized through a long process of development. An epoch-making event in the process was the North American Act of 1867. Since then, the status of self-governing colonies has gradually made advances, and after the Imperial Conferences of 1926 and 1930 the Dominions have come to obtain a status legally equal to Great Britain herself. The status of India, too, since the Crown took over the administration of India from the East India Company in 1858, has undergone changes. After the Morley-Minto reform, India witnessed the Montague-Chelmsford system, which was followed by the present Government of India act of 1935. However, while the provisions of the act respecting provinces have been put in force, those relating to the Federation of India remain ineffective. Not very long ago, what is called the Cripps proposal for Indian self-government was submitted to various Indian sections by the British Government; but it was rejected by them.

It may be said that the lack of any rigid system has enabled the British Empire to continue in its happy state. What is essential on this score is the idea underlying organization or system; without this foundation a political behavior degenerates into opportunism or improvization. Certainly the underlying idea of the British Empire has been centralization. It is true that the Dominions have acquired the status of equality with Great Britain herself; but it does not mean equality in function, as has been pointed out in the Balfour Report. On the other hand, the political awakening and economic development of the Dominions and of India are driving them to march in the direction of decentralization.

Respective Differences

Great Britain and her Dominions have their respective characteristics arising out of their geographical positions, historical traditions, racial peculiarities and the standard of economic development. Mackenzie King, Canadian Prime Minister, once said: "Each of them (Dominions) has a distinct geographical position, with all the consequences in difference of neighbors, difference in the nature of international problems each has to face, differences of emphasis and preoccupation that follow. Each has its special economic structure, its special racial backgrounds, its special constitutional problems. Those differences must receive full consideration in any responsible and realistic expression of their policies." His statement well applies to the present state of things in the British Empire. Of the Dominions, Australia and New Zealand are the two countries which have become firm believers in centralization, probably because they are bearing the direct brunt of the hostilities, and also because they are not experiencing a shrinkage in British investments. At the Dominion Prime Ministers' Conference held in May last, Prime Minister Curtin of Australia is reported to have urged the incorporation of the centralization principle in the empire system. Since, however, Canada and South Africa (particularly the latter) have all along been disinclined to subscribe to such a view, it is certain that Prime Minister Curtin's proposal has not been taken into account.

To bring about the reorganization of the whole British Empire, including colonies as well, in the direction of decentralization is the stand taken by Prime Minister Smuts. According to him, in the British Commonwealth and the Empire two distinct and different systems go side by side, that is to say, "decentralization" and "centralization," the Commonwealth representing the former and the Empire the latter. As to the colonial Empire, he points out that it is divided into too many units which are merely accidental or historical products. These units, he adds, must be regrouped under a single Governor-General who should be given more power than at present enjoyed by a colonial Governor. And he cites as examples West African and East African colonies, as well as East African protectorates. He also thinks it desirable that newly created units—groups of present colonies—should have some relations with the neighboring Dominions, thus seeking fresh links between the Empire and the Commonwealth.

This trend of thought, the situation in India, the question of centralization and, above all, the fast developing economic factors tell their own story. Britain, in spite of her involvement in the Napoleonic Wars, when she was hardly able to recover herself from the consequence of American independence, somehow managed to maintain her empire system. It was only after the Industrial Revolution and the rise of a new bourgeois class that the British Empire launched on its prosperous career. Today, however, the conditions within the Empire and outside it have changed so noticeably that the decline of the British Empire, as a historical evolution, appears to be inevitable.

(End)

SONGS FROM PRISON

By MAHATMA GANDHI

Incarnate God,
Warrior for the weak against the strong,
Behold, the hosts of evil have encompassed me:

Protector,
Saviour-God,
Stretch out thine hand to rescue me,
Ere these wild ocean-waves of pain and evil
Have utterly engulfed me:

Incarnate God,
Soul of the Universe,
Protector, Saviour, Friend,
Here am I whelmed hopeless by the might of wrong:

I cry to thee,
Come thou,
And save.

* * *

Naught crave I for myself,
Neither power nor wealth,
Nor paradise beyond,
No, not even freedom from the weary round of being:

This only do I pray,
Release from misery
For all that suffers.